

# XIV CIE

XIV Conference on  
International Economics

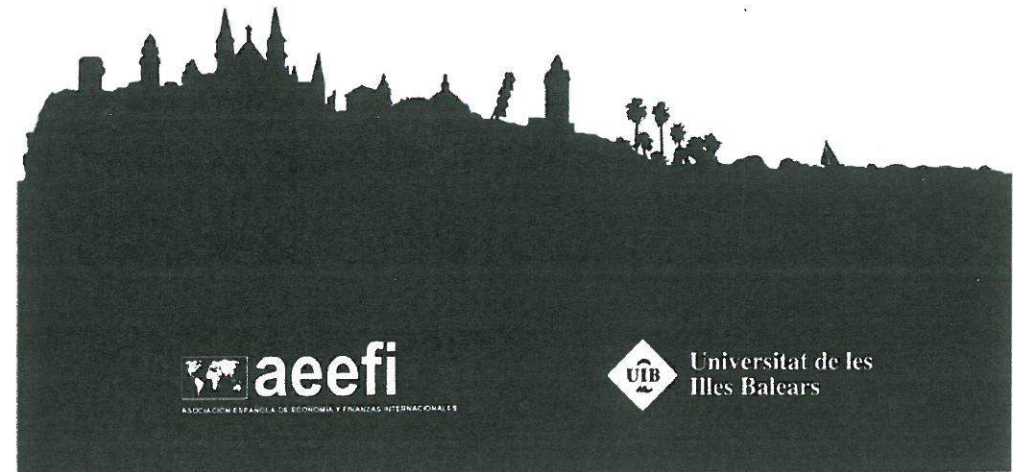


# XIV CIE

XIV Conference on  
International Economics

Palma (Mallorca) from 27 to 28 June 2013

## Scientific program



Welcome to Palma de Mallorca for the XIV edition of the Conference on International Economics. This year's edition will once again bring together International Economics researchers to present and discuss their findings in various areas of International Economics. The event is held at the Jovellanos building located in the University of the Balearic Islands (UIB) campus.

In addition to the scientific program, we have laid out a social program for you. This includes, on Thursday evening, a welcome cocktail in the campus Son Lledó gardens (our treat!). The conference dinner, for those who reserved it, will be held on Friday night at the seafront restaurant Nautic. We hope you enjoy your stay in Palma!

#### The Organizing Committee

José Luis Groizard  
Helena Ferreira Marques  
Maria Santana

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University of Balearic Islands - UIB

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## Web page of the conference

<http://www.ciepalma2013.org>

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## GENERAL INFORMATION

### DATES

The conference will take place from 27<sup>th</sup> to 28<sup>th</sup> June 2013.

### VENUE

The conference will be held at the Gaspar Melchor de Jovellanos Building, in the UIB Campus (Ctra. Valldemossa, km. 7.5, 07122 Palma de Mallorca).

The metro station is situated within a 7 minutes walk.



### INTERNET ACCESS

On campus, visitors can have WI-FI. With your own laptop you can use the wireless network. The signal is stronger inside the building.

Network: "uib"

User name: ciepalma

Password: palma2013

In the information panels located in the building, you can find the steps to connect to the WI-FI network.

### COFFEE BREAKS

Coffee and snacks will be served in the Jovellanos building (see schedule on p. 8 for timings).

### MEALS

Lunches will be served in the restaurant, on the ground floor of the Jovellanos building.

The welcome cocktail on Thursday will be served in Son Lledó gardens.

The conference dinner, for participants who booked it, will take place on Friday in the Nautic, located at the seaside of Palma.



Real Club Náutico de Palma  
Muelle San Pedro, 1st floor  
07012 Palma de Mallorca  
Phone: 0034 971 726 383  
<http://www.nautic-restaurant.com/>

SCIENTIFIC AND TECHNICAL SECRETARIAT



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OVERALL SCHEDULE OF EVENTS	
Thursday 27 <sup>th</sup> June	<p>9:00-9:30 Registration 09:30-11:30 Parallel Sessions A (AB11 – AB12 - Sala de Graus) 11:30-12:00 Coffee Break 12:00-13:30 Plenary Session I: Priya Ranjan (Sala de Graus) “Globalization and Unemployment” 13:30-15:00 Lunch Break 15:00-17:00 Parallel Sessions B (AB11 – AB12 - Sala de Graus) 17:00-17:30 Coffee Break 17:30-19:30 Parallel Sessions C (AB11 – AB12 - Sala de Graus)</p> <p>19:30 WELCOME COCKTAIL (Son Lledó Gardens)</p>
Friday 28 <sup>th</sup> June	<p>09:30-11:30 Parallel Sessions D (AB11 – AB12 - Sala de Graus) 11:30-12:00 Coffee Break 12:00-13:30 Plenary Session II: Paul de Grauwe (Sala de Graus) “Design failures in the Eurozone and how to fix them” 13:30-15:00 Lunch Break 15:00-17:30 Parallel Sessions E (AB11 – AB12- Sala de Graus)</p> <p>17:30-18:30 AEEFI Meeting (Sala de Graus)</p> <p>21:00 GALA DINNER (Nautic Restaurant)</p>

**KEYNOTE ADDRESS, June 27<sup>th</sup>**

**"Globalization and Unemployment"**

**Priya Ranjan**  
**(University of California, Irvine)**

He received his PhD from Columbia University in 1997. Currently he is Professor at the University of California-Irvine and a member of the American Economic Association and of the Econometrics Society. He is Associate Editor of the Journal of Development Economics and member of the editorial board of the Open Demography Journal and Economics Research International. He is one of the top leading economists studying the interactions of international trade and the labor markets.

**KEYNOTE ADDRESS, June 28<sup>th</sup>**

**"Design failures in the Eurozone and how to fix them"**

**Paul de Grauwe**  
**(London School of Economics)**

Paul De Grauwe is John Paulson Chair in European Political Economy and Head of the European Institute, at the London School of Economics. He is also director of the money, macro and international finance research network of CESifo, University of Munich, and a research fellow at the Centre for European Policy Studies in Brussels. He is honorary doctor of the University of Sankt Gallen, the University of Turku, the University of Genoa and the University of Valencia. He was a member of the Belgian parliament from 1991 to 2003 and a visiting scholar at the IMF, the Board of Governors of the Federal Reserve, the Bank of Japan and the European Central Bank. He was a member of the Group of Economic Policy Analysis, advising President Barroso. He obtained his PhD from the Johns Hopkins University in 1974.

**PARALEL SESSIONS JUNE 27<sup>TH</sup>**

**09:30-11:30 Parallel Sessions A**

**Macroeconomics I (Sala de Graus)**  
**Session chair: Marta Gómez-Puig**

**09:30** Granger-Causality in peripheral EMU public debt markets: A dynamic approach.

Presenter: Marta Gómez-Puig (Universidad de Barcelona)

Co-authors: Simón Sosvilla-Rivero (Universidad Complutense de Madrid)

Discussant: Alexandra Hild

**10:00** Structured Eurobonds: Limiting Liability and Distributing Profits.

Presenter: Alexandra Hild (University of Bayreuth)

Co-authors: Bernhard Herz and Christian Bauer

Discussant: Foued Chihi

**10:30** Fiscal Policy and External Adjustment: New Evidence.

Presenter: Foued Chihi (University of Quebec)

Co-authors: Hafedh Bouakez and Michel Normandin

Discussant: Marta Gómez-Puig

**Exporting Firms I (AB11)**  
**Session chair: Asier Minondo**

**09:30** Endogenous trade restrictions and exporters' pricing behaviour.

Presenter: Laura Rovegno (University of Luxembourg)

Discussant: Maja Barac

**10:00** Learning by doing in internationalization strategies under firm heterogeneity.

Presenter: Maja Barac (University of Valencia)

Co-authors: Rafael Moner Colonques

Discussant: Maria Dolores Parra Robles

**10:30** Imports, Innovation and Egyptian exports.

Presenter: Maria Dolores Parra Robles (Universitat Jaume I)

Co-authors: Laura Márquez-Ramos and Inmaculada Martínez-Zarzoso

Discussant: Asier Minondo

**11:00** The dynamics of Mexican firms' export portfolio: a network analysis.

Presenter: Asier Minondo (Deusto Business School)

Co-authors: Juan de Lucio (High Council of Spanish Chambers of Commerce), Raúl Mínguez (High Council of Spanish Chambers of Commerce), Francisco Requena (University of Valencia)

Discussant: Laura Rovigno

### **Globalization and Institutions (AB12)**

**Session chair: Juliette Milgram**

**09:30** The relevance of intraregional trade in Central America for development strategies and economic integration (2007-2011).

Presenter: Pedro Caldentey (Universidad Loyola de Andalucía)

Co-authors: Lucía Criado Albea and Francis Santos Carrillo

Discussant: Beatriz Manotas Hidalgo

**10:00** Globalization and Civil War: An empirical analysis

Presenter: Beatriz Manotas Hidalgo (Universidad Pública de Navarra).

Co-authors: Roberto Ezcurra

**10:30** Opinion towards protectionism and migrants: Individual and country effects revisited.

Presenter: Juliette Milgram (Universidad de Granada)

Discussant: Kenneth Harttgen

**11:00** Economic Growth and Child Undernutrition in Africa.

Presenter: Kenneth Harttgen (ETH Zürich)

Co-authors: Stephan Klasen and Sebastian Vollmer

Discussant: Juliette Milgram

### **15:00-17:00 Parallel Sessions B**

#### **Trade Policy (Sala de Graus)**

**Session chair: Salvador Gil-Pareja**

**15:00** Exchange Rate Policy and Trade: Firms in Eastern Europe and Central Asia.

Presenter: Florian Johannsen (University Goettingen)

Co-authors: Inmaculada Martínez-Zarzoso

Discussant: Alejandro Jacobo

**15:30** What is Going on with Contemporary Protectionism in Latin America? An Overview.

Presenter: Alejandro Jacobo (Universidad Nacional de Córdoba)

Co-authors: Ileana R. Jalile

Discussant: Georgios Georgiadis

**16:00** Trade Protectionism and Business Cycles During the Great Recession.

Presenter: Georgios Georgiadis (ECB)

Co-authors: Johannes Gräß

Discussant: Salvador Gil-Pareja

**16:30** The Impact of GATT/WTO on Trade .  
Presenter: Salvador Gil-Pareja (Universitat de València)  
Discussant: Florian Johannsen

**Migration and Tourism (AB11)**  
**Session chair: Francisco Requena-Silvente**

**15:00** The European Crisis and Migration to Germany: Expectations and the Diversion of Migration Flows.  
Presenter: Jesús Fernández-Huertas Moraga (FEDEA)  
Co-authors: Simone Bertoli and Herbert Brucker  
Discussant: Helena Ferreira Marques

**15:30** Do happiness indexes truly reveal happiness? Measuring happiness using revealed preferences from migration flows.  
Presenter: Helena Ferreira Marques (Universitat de les Illes Balears)  
Co-authors: Gabriel Pino (Southern Illinois University) and J.D. Tena (Universita di Sassari and Universidad Carlos III)  
Discussant: Jesús Fernández-Huertas Moraga

**16:00** The effect of cultural distance on international tourism flows.  
Presenter: Maria Santana Gallego (Universitat de les Illes Balears)  
Co-authors: Johan Fourie and Jaume Rosselló  
Discussant: Francisco Requena-Silvente

**16:30** Examining the impact of visa restrictions on international tourist flows using panel data.  
Presenter: Francisco Requena-Silvente (Universidad de Valencia)  
Co-authors: Andrés Artal-Tur and Vicente J. Pallardó-López  
Discussant: Maria Santana Gallego

**Macroeconomics II (AB12)**

**Session chair: Jana Riedel**

**15:00** Interest Rate Pass-Through to Turkish Lending Rates: A Threshold Cointegration Analysis .  
Presenter: Dilem Yildirim (Middle East Technical University)  
Discussant: Mihály Borsi

**15:30** The evolution of economic convergence in the European Union.  
Presenter: Mihály Borsi (Universidad de Alicante)  
Co-authors: Norbert Metiu  
Discussant: Zsoka Koczan

**16:00** How much do tariffs matter? Evidence from the Customs Union of Belarus, Kazakhstan and Russia.  
Presenter: Zsoka Koczan (University of Cambridge)  
Co-authors: Asel Isakova and Alexander Plekhanov  
Discussant: Jana Riedel

**16:30** Real interest rate convergence among G7 countries.  
Presenter: Jana Riedel (University of Muenster)  
Discussant: Dilem Yildirim

**17:30-19:30 Parallel Sessions C**

**Offshoring and Trade in Intermediate Goods (Sala de Graus)**

**Session chair: José Luis Groizard**

**17:30** Fragmentation and parts and components trade in the Western Balkan countries.  
Presenter: Maite Alguacil (Universitat Jaume I)  
Co-authors: Bojan Shimbov and Celestino Suárez  
Discussant: Blanca Sánchez-Robles



**18:00** On the relationship between trade and FDI: the border effect.

Presenter: Blanca Sánchez-Robles (Universidad de Cantabria)

Discussant: Hugo Rojas-Romagosa

**18:30** Technology, off shoring and the task-content of occupations: Evidence from the United Kingdom.

Presenter: Hugo Rojas-Romagosa (CPB Netherlands Bureau for Economic Policy Analysis)

Co-authors: Semih Akcomak and Suzanne Kok

Discussant: José Luis Groizard

**19:00** Input trade and job flows.

Presenter: José Luis Groizard (Universitat de les Illes Balears)

Co-authors: Priya Ranjan and José A. Rodríguez-López

Discussant: Maite Alguacil

### **Exchange Rates (AB11)**

**Session chair: Simon Sosvilla-Rivero**

**17:30** Analysis of the impact of exchange rate regimes on trade flows: A panel data analysis (1950 to 2011).

Presenter: Maria Santana Gallego (Universitat de les Illes Balears)

Co-authors: Francisco Ledesma and Jorge Pérez

Discussant: Gaetano D'Adamo

**18:00** The role of the Exchange Rate Regime in the process of Real and Nominal Convergence.

Presenter: Gaetano D'Adamo (Universidad de Valencia)

Co-authors: R. Rovelli (Universidad de Bologna)

Discussant: Helena Ferreira Marques

**18:30** Comparative advantage as a source of exporters' pricing power: evidence from China and India.

Presenter: Helena Ferreira Marques (Universitat de les Illes Balears)

Co-authors: Sushanta Mallick (Queen Mary, University of London)

Discussant: Simón Sosvilla-Rivero

**19:00** Real exchange rate volatility, financial crises and nominal exchange regimes.

Presenter: Simón Sosvilla-Rivero (Universidad Complutense de Madrid)

Co-authors: Amalia Morales-Zumaquero (Universidad de Málaga)

Discussant: Maria Santana Gallego

### **FDI and Innovation (AB12)**

**Session chair: M<sup>a</sup> Dolores Añón Higón**

**17:30** Foreign and Domestic Takeovers in Germany: First Comparative Evidence on the Post-acquisition Target Performance.

Presenter: John P. Weche Geluebcke (Leuphana University Lueneburg)

Discussant: Aranzazu Crespo

**18:00** Trade, Innovation and Productivity: A Quantitative Analysis of Europe.

Presenter: Aranzazu Crespo (Universidad Carlos III)

Discussant: Martin Falk

**18:30** Determinants of Greenfield Foreign Direct Investment in R&D and related activities.

Presenter: Martin Falk (WIFO)

Discussant: M. Dolores Añón Higón

**19:00** International R&D Spillovers and Institutional Distance.  
Presenter: Dolores Añón Higón (*Universitat de València*)  
Co-authors: Miguel Manjón Antolín (Rovira I Virgili University)  
Discussant: John P. Weche Geluebcke

## PARALEL SESSIONS JUNE 28<sup>TH</sup>

### 09:30-11:30 Parallel Sessions D

#### **Banking and Finance (Sala de Graus)** **Session chair: Rafael Lorca Vivero**

**09:30** Banking Crises, External Turmoil and the Role of Gross Foreign Investment Reversals.  
Presenter: Daniel Riera-Crichton (Bates College)  
Co-authors: Janus, Thorsten  
Discussant: Marco Lo Duca

**10:00** Modelling the Time Varying Determinants of Portfolio Flows to Emerging Markets .  
Presenter: Marco Lo Duca (European Central Bank)  
Discussant: Nikolas Müller-Plantenberg

**10:30** Currency flows and currency crises.  
Presenter: Nikolas Müller-Plantenberg (Universidad Autónoma de Madrid)  
Discussant: Rafael Llorca Vivero

**11:00** Banking Crises and International Trade: Do Credit Constraints Matter?  
Presenter: Rafael Llorca Vivero (University of Valencia)  
Co-authors: Salvador Gil Pareja and José Antonio Martínez Serrano  
Discussant: Daniel Riera-Crichton

## **Exporting Firms II (AB11)**

**Session chair: Jesús Ángel Muñoz Sepúlveda**

**09:30** An Anatomy of Online Trade: Evidence from eBay Exporters.

Presenter: Andreas Lendle (Graduate Institute, Geneva)

Discussant: Juan A. Mañez

**10:00** The Dynamic Linkages Among Exports, R&D and Productivity.

Presenter: Juan A. Mañez (Universitat de Valencia)

Co-authors: Maria E. Rochina and Juan A. Sanchís

Discussant: Daniele Moschella

**10:30** The determinants of international competitiveness: a firm-level perspective.

Presenter: Daniele Moschella (Scuola Superiore Sant'Anna)

Co-authors: Giovanni Dosi and Marco Grazzi

Discussant: Jesús Ángel Muñoz Sepúlveda

**11:00** Spillovers in Export Entry Decisions Across Markets

Presenter: Jesús Ángel Muñoz Sepúlveda (Universidad Complutense de Madrid)

Co-authors: Diego Rodríguez Rodríguez

Discussant: Andreas Lendle

## **Integration and Transition (AB12)**

**Session chair: Barbara Dluhosch**

**09:30** Shifting Wealth and the new world economy.

Presenter: Edouard Turkisch (OECD Development Centre and University of Paris West Nanterre la Défense)

Co-authors: Helmut Reisen

Discussant: Rosella Nicolini

**10:00** Institutions and market creation: evidence from the experience of the ex-socialist countries.

Presenter: Rosella Nicolini (UAB)

Co-authors: Lionel Artige

Discussant: Arman Mazhikeyev

**10:30** Post-Soviet trade flows and costs: Central Asia.

Presenter: Arman Mazhikeyev (Loughborough University)

Co-authors: T.Huw Edwards and Ben E.Ferrett

Discussant: Barbara Dluhosch

**11:00** EU Enlargement and Satisfaction with Democracy: A Peculiar Case of Immiserising Growth.

Presenter: Barbara Dluhosch (Helmut Schmidt University / University FAF Hamburg)

Co-authors: Daniel Horgos and Klaus Zimmermann

Discussant: Edouard Turkisch

## **15:00-17:30 Parallel Sessions E**

### **Macroeconomics III (Sala de Graus)**

**Session chair: Oscar Bajo-Rubio**

**15:00** On the Relationship Between the Government Balance and the Current Account.

Presenter: Carmen Díaz-Roldán (Universidad de Castilla-La Mancha)

Co-authors: Carmelo Monteagudo-Cuerva and Juan José Rubio-Guerrero

Discussant: José García Solanes

**15:30** Demand Shocks, Credibility and Macroeconomic Dynamics.

Presenter: Carmen Marín-Martínez (University of Murcia)

Co-authors: José García-Solanes

Discussant: Oscar Bajo-Rubio

**16:00** Balance-constrained growth rates: generalizing Thirlwall's law.

Presenter: Oscar Bajo-Rubio (Universidad de Castilla-La Mancha)

Discussant: Julio A. Alfonso-Rodríguez

**16:30** Integrated Modified OLS estimation and residual-based tests of cointegration. New evidence for the Taylor rule and present value models.

Presenter: Julio A. Alfonso-Rodríguez (University of La Laguna)

Discussant: Carmen Díaz-Roldán

### **Fragmentation and Value Chains (AB11)**

**Session chair: Inma Martínez-Zarzoso**

**15:00** The search for trading partners and the cross-border merger decision.

Presenter: T. Huw Edwards (Loughborough University)

Co-authors: Ben Ferrett

Discussant: Barbara Dluhosch

**15:30** Business Services Offshoring and Value Chains: Gauging the Consequences.

Presenter: Barbara Dluhosch (Helmut Schmidt University - University FAF Hamburg)

Co-authors: Thorsten Hens

Discussant: Ha Nguyen

**16:00** Competition, Product Quality, and Heterogeneous Firms.

Presenter: Ha Nguyen (University of Luxembourg)

Co-authors: Pierre Picard

Discussant: Inma Martínez-Zarzoso

**16:30** EU-Accession Effects on Trade in Intermediate and Final Goods: The Extensive Margin Matters.

Presenter: Inma Martínez-Zarzoso (University of Goettingen)

Co-authors: Anca M. Voicu and Martina Vidovic

Discussant: T. Huw Edwards

### **Trade Theory (AB12)**

**Session chair: Robert Driskill**

**15:00** Is Foreign Aid Motivated by Altruism or Self-Interest? A Theoretical Model and Empirical Test.

Presenter: Andrea Civelli (University of Arkansas)

Co-authors: Andrew W. Horowitz and Arilton Teixeira

Discussant: Benedikt Rydzek

**15:30** Trade effects of income inequality within and between countries.

Presenter: Benedikt Rydzek (ETH Zurich)

Discussant: Mauro Lanati

**16:00** Estimating the elasticity of trade: the trade share approach.

Presenter: Mauro Lanati (University of Pisa)

Discussant: Bernard C. Beaudreau

**16:30** Rehabilitating the Factor Proportions Hypothesis

Presenter: Bernard C. Beaudreau (Université Laval)

Co-authors: Eric Bond

Discussant: Robert Driskill

**17:00** Indeterminacy in two-sector-open-economy models: the role of VIPIRS.

Presenter: Robert Driskill (Vanderbilt University)

Co-authors: Eric Bond

Discussant: Andrea Civelli

**Important notice to session chairs,  
presenters and discussants.**

It is very important that everyone adheres strictly to the times indicated for the start of each presentation, even if there is a presenter missing.

We suggest to session chairs to allow up to 20 minutes for each presenter, up to 5 minutes for each discussant and up to 5 minutes to questions from the floor.

All papers can be downloaded from  
<http://www.ciepalma2013.org>

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