



Bank of Italy –
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and International
Relations

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Seminars at the
Bank of Italy

Seminars at EIEF

Highlights

On 26 November 2009, the Bank of Italy hosted the conference "The Mezzogiorno and economic policy in Italy", which was attended by the President of the Italian Republic, Mr. Giorgio Napolitano. The conference focused on the economic conditions of Italy's southern regions. It examined the quality of the main public services, the role of the financial markets, the effectiveness of public incentive schemes, income redistribution across regions and regional development policies. The conference programme and the opening address, which was delivered by Mr. Mario Draghi, Governor of the Bank of Italy, can be accessed at:

http://www.bancaditalia.it/studiricerche/convegni/atti/mezzogiorno_politica_economica

The conference was preceded by a research seminar, held in Perugia on 26-27 February 2009. The papers discussed at the seminar focused, amongst other things, on wages, bargaining and prices, environmental diseconomies, public capital and competitiveness, disparities in European regions and other countries' experiences, households' financial choices and the difficulties firms face in the South of Italy. The papers can be consulted at:

http://www.bancaditalia.it/pubblicazioni/seminari_convegni/mezzogiorno

On 19-20 January 2010, the Bank of Italy hosted the "Second International Conference in memory of Carlo Giannini", organized in conjunction with the Carlo Giannini Association — comprising friends, pupils and colleagues of the late Carlo Giannini,

one of Italy's foremost Professors of Econometrics, who passed away prematurely in 2004. This year's topic was "Time series econometrics and macroeconomic forecasting in a policy environment".

In his opening address, Ignazio Visco, Deputy Director General and Member of the Governing Board of the Bank of Italy, spoke about his personal memories of Carlo Giannini as a friend and long-time collaborator with the Banca d'Italia. He observed that the topic of the conference not only reflected Carlo Giannini's research interests, but also addressed issues of central importance to economic policy institutions and central banks, particularly in light of the dismal performance of economic analysts in predicting the extent and consequences of the recent recession.

The conference brought together academics and researchers from central banks and the academic community. Twelve papers were presented in four sessions, each of which was opened by a guest lecturer (see the article on [page 2](#) of this newsletter; all papers, presentations and discussions can be found at:

www.bancaditalia.it/studiricerche/convegni/atti/conf_giannini_0110)

On 30 September – 1 October 2010 the Einaudi Institute for Economics and Finance (EIEF) will host the Conference on "The Future of Monetary Policy", co-organized by the Banca d'Italia, the Banque de France and the EIEF. Research papers should be sent electronically to thefutureof.monetarypolicy@gmail.com by Friday 4 June 2010. More details will be available [here](#).

(continued from page one) The first session, entitled “Forecasting and forecast evaluation”, was introduced by J. Geweke of the University of Technology Sydney and University of Colorado, who demonstrated how different estimates of the same economic phenomenon can be aggregated to give a single, more accurate forecast. His lecture was followed by presentations by K. Wallis, on the information content of measures of uncertainty in macroeconomic forecasts, S. Price, on how information can be exploited to cope with structural breaks, and F. D’Amuri, on using indicators based on the number of internet searches for job-related keywords in Google as a forecasting tool for US unemployment.

M. Watson of Princeton University opened the second session, entitled “Forecast combination and large datasets”. His presentation compared different ways of using a large dataset to sharpen the precise dating of business cycle turning points. K. Ubrich proposed an approach aimed at comparing and evaluating different forecasts obtained from *nested* models; H. van Dijk showed that forecast combinations using time-varying weights may improve one’s ability to predict the economic cycle; finally, C. Baumeister presented a factor-augmented VAR model, showing how the properties of the VAR are affected by the inclusion of measures summarizing the information embedded in large sets of variables.

The third session devoted to “Frontiers of VAR and structural VAR analysis”, started with a lecture by C. Favero from the Luigi Bocconi University of Milan, who compared two alternative methods for identifying structural fiscal policy shocks in the US (the so called “narrative approach” of Romer & Romer and the standard statistical one, based on exclusion restrictions). The session included presentations by L. Benati, H. Luetkepohl and R. Vigfusson. Using data generated with DSGE models under alternative policy rules, the first guest lecturer investigated whether VARs are able to identify changes in the rules correctly; the second showed how to adapt the Markov switching model in a VAR context to deal with changes in volatility; the third explored whether structural VARs may help discriminate among alternative models, finding that VARs’ utility in this respect may be greater than usually thought.

The last session, entitled “Nonlinear time series models & Fellowship”, was introduced by T. Zha from the Federal Reserve Bank of Atlanta, who discussed the benefits of removing the assumption of Gaussian probability distribution of phenomena in studying a wide range of economic issues. In the remainder of the session, M. Gallo proposed an approach to modeling volatility spillovers, applied to the financial crisis of the 1990s in South-East Asia; F. Bianchi explored how different expectation formation processes may account for the patterns in the US post-WWII economy. The session closed with a presentation by M. Franchi, winner of the first *Carlo Giannini Fellowship*, which offers financial support for post-doctoral research activities in an Italian university and is co-sponsored by the Bank of Italy and the Carlo Giannini Association. He discussed new techniques to extract unobserved components of different periodicity from an observed time series.

Latest working papers

No. 736: Sacrifice ratio or welfare gain ratio? Disinflation in a DSGE monetary model

Guido Ascari and Tiziano Ropele

When taken to examine disinflation monetary policies, the current workhorse DSGE model of business cycle fluctuations successfully accounts for the main stylized facts in terms of recessionary effects and sacrifice ratio. We complement the transitional analysis of the short-run costs with a rigorous welfare evaluation and show that, despite the long-lasting economic downturn, disinflation entails non-zero overall welfare gains.

[\(full pdf text\)](#)

No. 737: The pro-competitive effect of imports from China: an analysis of firm-level price data

Matteo Bugamelli, Silvia Fabiani and Enrico Sette

The entry of China into world markets has been one of the strongest recent shocks to world trade and advanced countries industrial sectors. This is particularly true for Italy where labour-intensive, low-technology production represents a large share of output. Using Italian manufacturing firm-level data on output prices over the period 1990-2006, we test whether increased import competition from China has affected firms' pricing strategies causing a reduction in the dynamics of prices and markups. After controlling for other price determinants (demand and cost, domestic competition and import penetration), we find that this is indeed the case. Comparing China's share of world exports to Italy with China's total world export market share proves the causal nature of the relationship we find.

Inspired by and in line with recent advances in the literature on international trade, we also show that the price effects of Chinese competitive pressures are stronger in less technologically advanced sectors and, within these sectors, on smaller firms.

[\(full pdf text\)](#)

No. 738: External trade and monetary policy in a currency area

Martina Cecioni

For historical and geographical reasons, the member countries of the European Monetary Union (EMU) display different degrees of external trade openness. The paper lays out a model for a currency area composed of two regions. One region is more open to trade with a third country outside the area than the other. Using the utility-based loss function for the currency area, the optimal monetary policy is compared to the one for a homogeneous area. In the model with heterogeneity, the relative competitiveness across regions influences the extent to which shocks are transmitted to the area-wide inflation and output gap. Under a plausible calibration for the EMU, the optimal policy plan exhibits a stronger tendency towards currency area exchange rate stabilization than the one in the homogeneity case. Moreover, it is welfare-improving to forgo some area-wide inflation stabilization to dampen inflation differentials.

[\(full pdf text\)](#)

No. 739: The use of survey weights in regression analysis

Ivan Faiella

While there is a wide consensus in using survey weights when estimating population parameters, it is not clear what to do when using survey data for analytic purposes (i.e. with the objective of making inference about model parameters). In the model-based framework (MB), under the hypothesis that the underlying model is correctly specified, using survey weights in regression analysis potentially involves a loss of efficiency. In a design-based perspective (DB), weighted estimates are both design consistent and can provide robustness to model misspecification. In this paper, I suggest that the choice of using survey weights can be seen in a regression diagnostic set. The survey data analyst should check if the design information included in survey weights has some explanatory power in describing the model outcome. To accomplish this task a set of econometric tests is suggested, that could be supplemented by the analysis of model features under the two strategies.

[\(full pdf text\)](#)

No. 740: **Credit and banking in a DSGE model of the euro area**

Andrea Gerali, Stefano Neri, Luca Sessa and Federico Maria Signoretti

This paper studies the role of credit-supply factors in business cycle fluctuations. For this purpose, we introduce an imperfectly competitive banking sector into a DSGE model with financial frictions. Banks issue collateralized loans to both households and firms, obtain funding via deposits and accumulate capital from retained earnings. Margins charged on loans depend on bank capital-to-assets ratios and on the degree of interest rate stickiness. Bank balance-sheet constraints establish a link between the business cycle, which affects bank profits and thus capital, and the supply and cost of loans. The model is estimated with Bayesian techniques using data for the euro area. The analysis delivers the following results. First, the existence of a banking sector partially attenuates the effects of demand shocks, while it helps propagate supply shocks. Second, shocks originating in the banking sector explain the largest share of the fall of output in 2008 in the euro area, while macroeconomic shocks played a limited role. Third, an unexpected destruction of bank capital has a substantial impact on the real economy and particularly on investment. ([full pdf text](#))

No. 741: **Why do (or did?) banks securitize their loans? Evidence from Italy**

Massimiliano Affinito and Edoardo Tagliaferri

This paper investigates the ex-ante determinants of bank loan securitization by using different econometric methods on Italian individual bank data from 2000 to 2006. Our results show that bank loan securitization is a composite decision. Banks that are less capitalized, less profitable, less liquid and burdened with troubled loans are more likely to perform securitization, for a larger amount and earlier. ([full pdf text](#))

No. 742: **Outsourcing versus Integration at Home or Abroad**

Stefano Federico

Using data on a sample of Italian manufacturing companies, this paper analyzes the location (at home or abroad) and the mode of organization (outsourcing versus integration) of intermediate inputs of production. We find evidence of a

productivity ordering (largely consistent with the assumptions in Antràs and Helpman 2004) where foreign integration is chosen by the most productive and domestic outsourcing by the least productive firms; those with medium-high productivity choose domestic integration, those with medium-low productivity foreign outsourcing. We also find that the preference for integration over outsourcing is positively related to some indicators of headquarter intensity, notably capital intensity, as predicted by Antràs (2003) and Antràs and Helpman (2004). ([full pdf text](#))

No. 743: **The effect of the Uruguay Round on the intensive and extensive margins of trade**

Ines Buono and Guy Lalanne

Do tariffs inhibit trade flows by limiting the entry of exporting firms ('extensive margin') or by restricting the average volume exported by each firm ('intensive margin')? Using a gravity equation approach, we analyze how the decrease in tariffs promoted during the 1990s by the Uruguay Round multilateral trade agreement affected the trade margins of French firms across 57 sectors and in 147 countries, from 1993 to 2002. Our main contribution is to estimate the elasticity of trade for both margins, controlling for the unobserved heterogeneity of trade flows thanks to a three-dimensional panel and to time-varying tariffs as a measure of variable trade costs. Our results show that the number of firms exporting in a given sector to a given destination is related to the level of tariffs. But they also show that the decrease in tariffs determined by the implementation of the Uruguay Round did not lead more firms to export and instead, only encouraged incumbent exporters to increase their shipments. We control for two problems that may affect our basic specification: tariff changes may be endogenous and zero flows are not included. Our results are confirmed - even when the extensive margin is significant, its contribution is very small. ([full pdf text](#))

No. 744: **Trade, technical progress and the environment: the role of a unilateral green tax on consumption**

Daniela Marconi

The paper proposes a two-country general equilibrium model of endogenous growth and trade between two regions, North and South, with

different environmental standards. Pollution is a by-product of consumption and in order to abate it the northern region unilaterally imposes a green tax on consumption. As the tax affects domestic demand of consumer goods according to their pollution intensities, regardless of where those goods are produced, the model shows that such a unilateral environmental policy can increase the speed of technological change and pollution abatement in both regions. ([full pdf text](#))

No. 745: **Too many lawyers? Litigation in Italian civil courts**

Amanda Carmignani and Silvia Giacomelli

In this paper we investigate the relationship between the number of lawyers and civil litigation across Italian provinces over the period 2000-2005. First, we document the existence of a positive correlation between the number of lawyers and litigation. We then employ a 2SLS approach to verify the existence of a causal effect. We use as an exogenous source of variation for the number of lawyers the differences among provinces in the proximity of a law school in 1975. Our results show that the number of lawyers has a positive effect on litigation and that the magnitude of this effect is large. ([full pdf text](#))

No. 746: **On vector autoregressive modeling in space and time**

Valter Di Giacinto

Despite the fact that it provides a potentially useful analytical tool, allowing for the joint modeling of dynamic interdependencies within a group of connected areas, until lately the VAR approach had received little attention in regional science and spatial economic analysis. This paper aims to contribute in this field by dealing with the issues of parameter identification and estimation and of structural impulse response analysis. In particular, there is a discussion of the adaptation of the recursive identification scheme (which represents one of the more common approaches in the time series VAR literature) to a space-time environment. Parameter estimation is subsequently based on the Full Information Maximum Likelihood (FIML) method, a standard approach in structural VAR analysis. As a convenient tool to summarize the information conveyed by regional dynamic multipliers with a specific emphasis on the scope of spatial spillover

effects, a synthetic space-time impulse response function (STIR) is introduced, portraying average effects as a function of displacement in time and space. Asymptotic confidence bands for the STIR estimates are also derived from bootstrap estimates of the standard errors. Finally, to provide a basic illustration of the methodology, the paper presents an application of a simple bivariate fiscal model fitted to data for Italian NUTS 2 regions. ([full pdf text](#))

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*the real time indicator
of the
Euro Area economy*



Forthcoming working papers

Brandolini A., S. Magri and T. Smeeding

Asset-based measurement of poverty

Cappelletti G.

A note on rationalizability and beliefs restrictions

D'Amuri F. and J. Marcucci

"Google it!" Forecasting the US unemployment rate with a Google job search index

Di Cesare A. and G. Guazzarotti

An analysis of the determinants of credit default swap spread changes before and during the financial turmoil

Mocetti S. and C. Porello

How does immigration affect native internal mobility?

Piazza R.

Financial innovation and risk: the role of information

Pinotti P.

Financial development and the demand for Pay-As-You-Go social security

Sette E.

Competition and opportunistic advice of financial analysts: theory and evidence

Sørensen C. K., D. Marqués Ibáñez and C. Rossi

Modelling loans to non-financial corporations in the euro area

Recently published working papers

- No.724: Davide Fiaschi and Marzia Romanelli,
Nonlinear dynamics in welfare and the evolution of world inequality (October 2009)
- No.725: Martine Druant, Silvia Fabiani, Gabor Kezdi, Ana Lamo, Fernando Martins and Roberto Sabbatini,
How are firms' wages and prices linked: survey evidence in Europe (October 2009)
- No.726: Davide Dottori and I-Ling Shen,
Low skilled immigration and the expansion of private schools (October 2009)
- No.727: Enrico Sette,
Sorting, reputation and entry in a market for experts (October 2009)
- No.728: Andrea Finicelli, Patrizio Pagano and Massimo Sbracia,
Ricardian selection (October 2009)
- No.729: Andrea Finicelli, Patrizio Pagano and Massimo Sbracia,
Trade-Revealed TFP (October 2009)
- No.730: Marco Taboga,
The riskiness of corporate bonds (October 2009)
- No.731: Paolo Angelini, Andrea Nobili and Cristina Picillo,
The interbank market after August 2007: what has changed, and why? (October 2009)
- No.732: Guglielmo Barone and Sauro Mocetti ,
Tax morale and public spending inefficiency (November 2009)
- No.733: Valter Di Giacinto, Giacinto Micucci and Pasqualino Montanaro ,
Dynamic macroeconomic effects of public capital: evidence from regional Italian data (November 2009)
- No.734: Filippo Vergara Caffarelli ,
Networks with decreasing returns to linking (November 2009)
- No.735: Francesco Columba, Leonardo Gambacorta and Paolo Emilio Mistrulli ,
Mutual guarantee institutions and small business finance (November 2009)

Latest occasional papers

No. 58: The international crisis and the Italian productive system: a firm-level study

Matteo Bugamelli, Riccardo Cristadoro and Giordano Zevi

We study the effects of the world economic crisis which began in 2007 on the Italian productive system. National accounts data are supplemented with information gathered in spring 2009 from the Bank of Italy's survey on industrial and service firms, and from interviews with about 70 of their managers. Our sources confirm that this recession is the most severe recorded since the Second World War and that more than in the past, the recovery of the Italian economy will have to rely on internal demand dynamics and on firms' ability to respond to increased competitive pressure. Our rich dataset allows us to formulate some initial responses to important issues by distinguishing between firms according to size, sector and propensity to export. When the crisis struck, the Italian productive system was in the middle of a profound, albeit partial, restructuring process, the first fruits of which were beginning to be seen. It is therefore important to understand whether some of the firms that have been most involved in the restructuring process and which are therefore in debt today, are encountering external funding difficulties in this context of widespread falling demand—difficulties serious enough to threaten their very survival. ([full pdf text - only in Italian](#))

No. 59: The performance of the Italian housing market and its effects on the financial system

Fabio Panetta (coordinator), Roberto Sabbatini, Francesco Zollino, Michele Leonardo Bianchi, Marcello Bofondi, Fabrizio Borselli, Guido Bulligan, Alessandro Buoncompagni, Mario Cappabianca, Luisa Carpinelli, Agostino Chiabrera, Francesco Columba, Guido de Blasio, Alessio D'Ignazio, Cristina Fabrizi, Carlo Gola and Federico Maria Signoretti

Developments in the real-estate sector are of crucial importance for the business cycle and financial stability. This study analyses developments in the Italian housing market on the basis of both real and financial variables. Following the sharp contraction of the market during the financial crisis and the more general fall in economic activity, a few signals suggests that the recession in the housing market is

easing somewhat. However, the degree of uncertainty remains considerable. In recent months the ratio between the flow of bad debts to total outstanding loans to households and construction firms has reached the highest levels since the beginning of the decade. The paper also investigates three issues of a more structural nature. First, it examines the performance and the regulatory framework of real-estate investment funds in Italy. Second, it analyses the main characteristics of the taxation of residential housing, with reference to ownership, rentals and transactions. Finally, the paper estimates the impact on residential house prices of the growing demand for housing services by immigrants. ([full pdf text - only in Italian](#))

No. 60: Public incentives for firms: micro-level evidence

Diego Caprara, Amanda Carmignani and Alessio D'Ignazio

This paper provides a statistical overview of the extent and composition of publicly-funded loans granted by banks to Italian firms. The analysis is based on the universe of reports to the Central Credit Register (CR). Between 1998 and 2007 the subsidized loans recorded by the CR amounted to about 0.3 per cent of GDP and involved approximately 27,000 firms, mainly limited companies. Our results confirm that publicly-subsidized loans are the most common type of subsidy in the Centre and North, while in the South non-returnable grants have traditionally been more predominant. Among the regions of the Centre and North, subsidies of this kind figure most prominently in Friuli Venezia Giulia, Veneto, and Trentino Alto Adige. The share of subsidized lending is greater among larger enterprises, especially agricultural firms and in industry excluding construction. ([full pdf text - only in Italian](#))

No. 61: Labour mobility in Italy: new evidence on migration trends

Sauro Mocetti and Carmine Porello

The paper provides an analysis of labour mobility in Italy, with a joint analysis of residence transfers and "long-range" commuting. In the period 1990-2005, migration inflows have increased in the Centre North, both in short- and long-range component. In the South, by contrast, the low short-range mobility has decreased further, while the emigration toward the North remained significant; moreover, the high-educated outflows have increased significantly. The

empirical findings show that South-North migration continues to be driven by the large economic differentials between the two areas. In the second half of the nineties, the widening gap on the employment rate, the downsizing of the public sector and the reduction of the gap on house prices have prompted a growing number of people to emigrate. In the current decade the strong growth of house prices in the Centre North has contributed to reduce the phenomenon. The spread of temporary contracts and immigration from abroad have also affected the migration propensity of natives and structurally changed the nature of mobility.

([full pdf text - only in Italian](#))

No. 62: Housing rent dynamics in Italy

Concetta Rondinelli and Giovanni F. Veronese

In this paper we focus on tenant rents in Italy and compare results from several methods for the rent dynamic estimation. We first document the sources of data available and then introduce quality-adjusted techniques, which enable us to separate the price variation due to qualitative changes in housing attributes from pure price changes. Finally, we compare these measures with unconditional and matched-type price indices derived from microdata. Over the period 1998-2006, we estimate a cumulative rent increase ranging between 40 and 80%. The upper bound refers to the average dynamic for a subset of flats entering the market in a given period. The hedonic approach suggests a substantially lower overall growth in tenant rent, around 40% for the same period. ([full pdf text](#))

Forthcoming occasional papers

Breda E. and R. Cappariello

A tale of two bazaar economies: an input-output analysis for Germany and Italy

Casadio P.

Firm level wage bargaining and territorial wage differentials: evidence from the Bank of Italy survey on firms

Fiaschi D. and M. Romanelli,

The evolution of wages in Italy between 1986 and 2004: evidence from the Working Histories Italian Panel

Giordano R.

The public sector pay gap in Italy

Marconi D.

Environmental regulation and revealed comparative

advantages in Europe: is China a pollution haven?

Marino M. R. and A. Staderini,

The tax wedge on labour: a survey of the existing literature and analysis of the Italian case

Torrini R.

The long-run evolution of factor shares in Italy

Recently published occasional papers

No.56: Cristina Giorgiantonio and Valentina

Giovanniello,

Infrastructure and project financing in Italy: the (possible) role of the regulation (November 2009)

No.57: Marco Burroni, Mario Quagliariello,

Emiliano Sabatini and Vincenzo Tola,

Dynamic provisioning: rationale, functioning and prudential treatment (November 2009)

Economic history working papers

No. 1: **Luigi Einaudi: Economic theory and social legislation in the text of his Lezioni**

Alberto Baffigi

This essay focuses on the nexus between economic theory and social legislation, as dealt with by Luigi Einaudi in his *Lezioni di politica sociale* (1942). For this purpose, the conceptual and analytical model used in Einaudi's book is identified, which is based on three main premises: 1) the liberal worldview; 2) the pragmatist epistemology, as derived from his friend Giovanni Vailati; 3) the Paretian economic theory which later on would give rise to the new welfare economics.

In Einaudi's view, production and distribution belong to two different spheres. A market based economic system leads to an efficient equilibrium, once an initial distribution of resources is provided. If such a distribution does not satisfy some specified criteria of social justice, State intervention (i.e. social policy) can be justified. Social justice according to Einaudi means equality of opportunity. Liberty is not a metaphysical engine of history, and liberals cannot separate their political and moral objectives from the techniques by which they can be pursued. Social

legislation is nothing else than the toolset by which the liberal idea can actually be realized. On this background, economic theory plays a central role as a useful abstraction which sheds light on the complex reality in which social policies are to be implemented. ([full pdf text](#))

No. 2: **European acquisitions in the United States: re-examining Olivetti-Underwood fifty years later**

Federico Barbiellini Amidei, Andrea Goldstein and Marcella Spadoni

While Italy's catch-up in the course of the 20th century has been nothing short of extraordinary, it has failed to produce a large number of global business players. Nonetheless, half a century ago an Italian company concluded what was at the time the largest-ever foreign takeover of a US company.

The paper analyzes the Olivetti's acquisition of Underwood and frames it in the broader picture of the literature on the management and performance of foreign companies in the United States.

We provide a historical narrative focused on three main issues: 1) head office control and subsidiary autonomy; 2) Olivetti's adaptation to the American business system; 3) the development of internal knowledge resources within the subsidiary. Lessons and implications are relevant for business historians and management scholars in general. ([full pdf text](#))

Selection of recent journal articles and books by Bank of Italy's staff

([full list since 1990](#))

Forthcoming

Altunbas Y., **L. Gambacorta** and D. Marqués,
Securitisation and the bank lending channel,

European Economic Review ([WP No. 653](#))

D'Amuri F., G. I. P. Ottaviano and G. Peri,
The labor market impact of immigration in Western Germany in the 1990's, *European Economic Review* ([WP No. 687](#))

Iacoviello M. and **S. Neri**, *Housing market spillovers: evidence from an estimated DSGE model,* *American Economic Journal: Macroeconomics* ([WP No. 659](#))

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Magri S., *Debt Maturity Choice of Nonpublic Italian Firms*, Journal of Money, Credit and Banking, v.42, 2-3, pp. 443-463 ([WP No. 574](#))

2009

- Affinito M.** and **F. Farabullini**, *Does the law of one price hold in euro-area retail banking?*, International Journal of Central Banking, v. 5, 1, pp. 5-37
- Ascari G. and **T. Ropele**, *Trend inflation, Taylor principle, and indeterminacy*, Journal of Money, Credit and Banking, v. 41, 8, pp. 1557-1584
- Behrens K., **A. Lamorgese**, G. I. P. Ottaviano and T. Tabuchi,
Beyond the home market effect: market size and specialization in a multi-country world, Journal of International Economics, v. 79, 2, pp. 259-265
- Forni L.**, **L. Monteforte** and **L. Sessa**,
The general equilibrium effects of fiscal policy: estimates for the euro area, Journal of Public Economics, v. 93, 3-4, pp. 559-585 ([WP No. 652](#))
- Gola C.** and A. Roselli, *The UK Banking System and its Regulatory and Supervisory Framework*, Palgrave Macmillan
- Lippi F. and **A. Secchi**, *Technological change and the households' demand for currency*, Journal of Monetary Economics 56, 2, 222-230, ([WP No. 697](#))
- Pagano P.** and **M. Pisani**,
Risk-adjusted forecasts of oil prices, The B.E. Journal of Macroeconomics, v. 9, 1, Article 24 ([WP No. 585](#))
- Panetta F.**, F. Schivardi and M. Shum,
Do mergers improve information? Evidence from the loan market, Journal of Money, Credit, and Banking, v. 41, 4, pp. 673-709 ([WP No. 521](#))
- Quagliariello M.** (ed.), *Stress-testing the Banking system*, Cambridge University Press
- Rossi S.**, *Controtempo. L'Italia nella crisi mondiale*, Laterza, Bari-Roma
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2008

- Angelini P.**, **P. Del Giovane**, **S. Siviero** and **D. Terlizzese**, *Monetary policy in a monetary union: What role for regional information?*, International Journal of Central Banking, 4, 3, 1-28 ([WP No. 457](#))
- Angelini P.** and **A. Generale**, *On the evolution of firm size distributions*, American Economic Review 98, 1, 426-438, ([WP No. 549](#))
- Busetti F.** and A. Harvey, *Testing for trend*,

Econometric Theory, 24, 1, 72-87 ([WP No. 614](#))

- Cesarano F.**, *Money and monetary systems: selected essays of Filippo Cesarano*, Cheltenham, Elgar
- Casolaro L.**, D. Focarelli and A. Pozzolo, *The pricing effect of certification on syndicated loans*, Journal of Monetary Economics, 55, 2, 335-349
- De Bonis R.**, *La Banca*, Carocci, Roma
- Del Giovane P.** and **R. Sabbatini** (eds.), *The euro, inflation and consumers' perceptions. Lessons from Italy*, Springer, Berlin-Heidelberg
- Gambacorta L.**, *How do banks set interest rates?*, European Economic Review, 52, 5, 792-819 ([WP No. 542](#))
- Pericoli M.** and **M. Taboga**, *Canonical term-structure models with observable factors and the dynamics of bond risk premia*, Journal of Money, Credit and Banking, 40, 7, 1471-1488 ([WP No. 580](#))
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2007

- Angelini P.** and F. Lippi, *Did prices really soar after the euro cash changeover? Evidence from ATM withdrawals*, International Journal of Central Banking, 3, 4, 1-22 ([WP No. 581](#))
- Ascari G. and **T. Ropele**, *Optimal monetary policy under low trend inflation*, Journal of Monetary Economics, 54, 8, 2568-2583 ([WP No. 647](#))
- Busetti F.**, **L. Forni**, A. Harvey and **F. Venditti**,
Inflation convergence and divergence within the European monetary union, International Journal of Central Banking, 3, 2, 95-121
- Bonaccorsi di Patti E.** and **G. Gobbi**, *Winners or losers? The effects of banking consolidation on corporate borrowers*, Journal of Finance, 62, 669-695 ([WP No. 479](#))
- Cesarano F.**, *Monetary theory in retrospect: The selected essays of Filippo Cesarano*, Routledge, Abington
- Devicienti F., A. Maida and **P. Sestito**, *Downward wage rigidity in Italy: Micro based measures and implications*, Economic Journal, 117, 524, F530-F552
- Fabiani S.**, C. Loupias, F. Martins and **R. Sabbatini** (eds.), *Pricing decisions in the euro area: How firms set prices and why*, Oxford University Press, New York
- Lippi F. and **S. Neri**, *Information variables for monetary policy in a small structural model of the euro area*, Journal of Monetary Economics, 54, 4, 1256-1270 ([WP No. 511](#))
- Locarno A.**, *Imperfect knowledge, adaptive learning, and the bias against activist monetary policies*, International Journal of Central Banking, 3, 3, 47-85 ([WP No. 590](#))

- Magnoli Bocchi A. and **M. Piazza**, *La Banca mondiale*, Il Mulino Editore, Bologna
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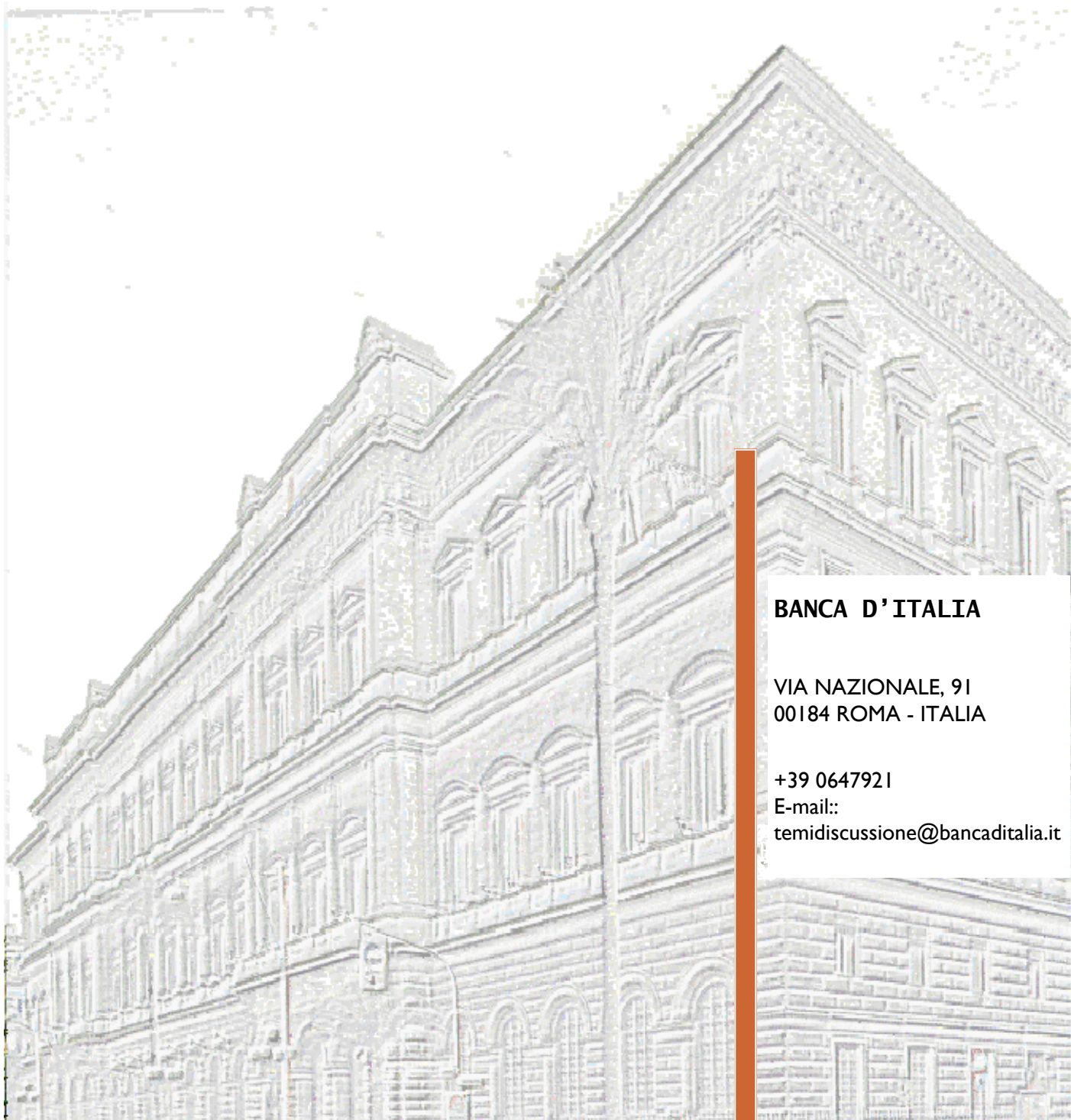
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