



Bank of Italy, European Central Bank and World Bank Workshop on Trade, value chains and financial linkages in the global economy

15-16th June 2023

Venue: Bank of Italy, Rome, Centro convegni Carlo Azeglio Ciampi, Via Nazionale 190

Programme

Thursday, 15th June

08:45-09.00 **Registration**

Chair: Claire Giordano (Bank of Italy)

09:00-09.10 **Welcome address**

Piero Cipollone (Deputy Governor of the Bank of Italy)

Session 1: Production networks

09:10-9:55 **Trade Policy on a Buyer-Seller Network**

Brian Pustilnik (Central Bank of Chile)

Discussant: Francesco Paolo Conteduca (Bank of Italy)

9:55-10:40 **A Sufficient Statistics Approach for Endogenous Production Networks: Theory and Application to Ukraine's War**

Yuhei Miyuchi (Boston University)

Discussant: Giacomo Romanini (Bank of Italy)

10:40-11:00 *Coffee break*

Chair: Daria Taglioni (World Bank)

11:00-11:50 **Keynote Speech: "De-globalization? Re-globalization!"**

Ralph Ossa (University of Zurich; World Trade Organization)

11.50-12:55 **Thematic session 1: Trade credit**

Trade Credit and Exchange Rate Risk Pass Through

Bryan Hardy (Bank for International Settlements)

Import Competition, Trade Credit and Financial Frictions in General Equilibrium

Fadi Hassan (Bank of Italy)

Trade Credit and Relationships

Tim Schmidt-Eisenlohr (Federal Reserve Board of Governors)

Discussant: Luisa Carpinelli (Bank of Italy)

12:55-13:55 Lunch

Chair: Maria Grazia Attinasi (European Central Bank)

Session 2: Shocks to global value chains

13:55-14:40 Global Value Chains, International Risk Sharing and the Transmission of Productivity

Shocks

Aydan Dogan (Bank of England)

Discussant: Riccardo De Gasperi (Bank of Italy)

14:40-15:25 Input Sourcing under Supply Chain Risk: Evidence from U.S. Manufacturing Firms

Sebastian Heise (Federal Reserve Bank of New York)

Discussant: Simona Giglioli (Bank of Italy)

15:25-15:45 Coffee break

Chair: Silvia Fabiani (Bank of Italy)

15:45-16:35 Keynote Speech: “Can Evidence-Based Information Shift Preferences Towards Trade Policy?”

Laura Alfaro (Harvard University)

16:35-17:55 Thematic session 2: Innovative data, methods and insights

Bilateral International Investments: The Big Sur?

Sergio Schmukler (World Bank)

The Geography of Capital Allocation in the Euro Area

Roland Beck (European Central Bank)

Missing Tariffs, False Imputation, and the Trade Elasticity

Feodora Teti (Ifo Institute)

Trade Disruptions Along the Global Supply Chain

Yuan Tian (University of Nottingham)

19:00 Social event and dinner for speakers (by invitation only)

Friday, 16th June

Chair: Giovanni Veronese (Bank of Italy)

Session 3: International trade linkages

9:00-9:45 Shortages of Critical Goods in a Global Economy: Optimal Trade and Industrial Policy

Fernando Leibovici (Federal Reserve Bank of St. Louis)

Discussant: Baptiste Meunier (European Central Bank)

9:45-10:30 Escaping Import Competition in China

Ana Cecilia Fieler (Yale University)

Discussant: Davide Del Prete (University of Naples Parthenope)

10:30-10:50 Coffee break

Chair: Michele Mancini (Bank of Italy)

10:50-11:40 **Keynote Speech “The inflationary implications of shock transmission across the global production network”**

Julian Di Giovanni (Federal Reserve Bank of New York)

11:40-12:45 **Thematic session 3: Trade invoicing**

International sanctions and the dollar: Evidence from trade invoicing

Antoine Berthou (OECD; Bank of France)

Currency choices and the role of the USD in international trade: are services different from goods?

Joana Garcia (Bank of Portugal)

How Does a Dominant Currency Replace Another? Evidence from European Trade

Ine von Robays (European Central Bank)

Discussant: Maria Tito (Federal Reserve Board of Governors)

12:45-13:45 *Lunch*

Chair: Sergio Schmukler (World Bank)

Session 4: Multinational firms

13:45-14:30 **Profit Shifting Frictions and the Geography of Multinational Activity**

Alessandro Ferrari (University of Zurich)

Discussant: Javier Quintana (Bank of Spain)

14:30-15:15 **Multinational Ownership and Trade Participation**

Glenn Magerman (Université Libre de Bruxelles)

Discussant: Ludovic Panon (Bank of Italy)

15:15-15:30 *Coffee break*

Chair: Alessandro Borin (Bank of Italy)

15:30-16:50 **Thematic session 4: Fragmentation**

The 2014 Russia shock and its effects on Italian firms and banks

Stefano Federico (Bank of Italy)

The Economic Costs of Supply Chain Decoupling

Baptiste Meunier (European Central Bank)

The US-China Trade War and Global Reallocations

Daria Taglioni (World Bank)

Is US Trade Policy Reshaping Global Supply Chains?

Michele Ruta (International Monetary Fund)

The standard sessions are organised as follows: **Paper author:** 25 minutes; **Discussant:** 10 minutes; **Questions from the audience:** 10 minutes.

The thematic sessions are organised as follows: **Paper author:** 15 minutes; **Discussant** (when scheduled): 10 minutes; **Questions from the audience:** remaining time (10-20 minutes).

The keynote speeches are organised as follows: **Keynote speech:** 40 minutes; **Questions from the audience:** 10 minutes.

Scientific and organizing committee:

Maria Grazia Attinasi (European Central Bank), Alessandro Borin (Bank of Italy), Claire Giordano (Bank of Italy), Michele Mancini (Bank of Italy) and Daria Taglioni (World Bank)