

**XVIII LATIN AMERICAN MEETINGS OF THE ECONOMETRIC SOCIETY  
PROGRAM**

**Thursday July 26<sup>th</sup>**

**9:00: Registration**

**9:30: Opening and Welcoming Ceremony**

Dr. Jorge Sanz, President of Universidad de San Andrés

Alejandro Hernandez (ITAM), Chairman, Latin American Standing Committee,  
Econometric Society

**10:00: Special Panel: Argentina in Crises and the Way Out. A view from Wall Street. (Organized by Mario Blejer, IMF). Chairman: Mario Blejer.**

Arturo Porzecanski (AMRO Bank)

Leonardo Leiderman (Deutsche Bank)

Graciana del Castillo (Standard & Poor's)

Michael Gavin (UBS Warburg)

**11:30: Coffee Break**

**11:45: Invited Sessions**

**Recent Developments on General Equilibrium Theory** *Room: Jorge Born. Chairman: Jose Scheinkman*

Alberto Bisin (New York University). *Walrasian Equilibrium and Observability of Trades in Economies with Asymmetric Information. Part I: Non-Observability of Trades.*

Piero Gottardi (University of Venice) *Walrasian Equilibria in Economies with Asymmetric Information: Part II: observability of trades.*

Bryan Ellickson (UCLA). *The Organization of Production, Consumption and Learning* (joint with B. Gurdal, Suzanne Scotchner and William Zame)

**Credit Markets and Corporate Finance** *Room: Lebach. Chairman: Alejandro Hernandez.*

Rafael La Porta (Harvard University) *Related Learning* (joint with Florencio Lopez de Silanes and Guillermo Zamarriga)

Paras Mehta (MIT) *Ferretting out Tunneling: Evidence from Indian Business Groups*

Alexander Galetovic (Universidad de Chile) *Relationships, Competition and the Structure of Investment Banking Markets* (joint with Bharat Anand)

**Country Risk, Currency Risk, and Default Risk: The Evidence** *Room: Agardy.*

*Chairman: David Sekiguchi.*

John Merrik (New York University). Crisis Dynamics of Implied Default Recovery Ratios: Evidence from Russia and Argentina

Marcio Garcia (PUC Rio) Very High Interest Rates and the Cousin Risks: Brazil during the Real Plan (joint with Tatiana Didier)

Federico Sturzenegger (Ministry of Economy, Argentina). *Dollarization: The Link between Devaluation Risk and Default Risk* (joint with Andrew Powell)

Sergio Schmukler (World Bank) Pricing Currency Risk: Facts and Puzzles from Currency Boards (joint with Luis Servén).

Discussant: David Sekiguchi (Deutsche Bank)

**Issues in Labor Economics** Room: Ledesma. Chairman: Walter Sosa Escudero.

Rafael Di Tella (Harvard Business School). *Are Politicians Really Paid like Bureaucrats?*

Sebastian Galiani (Universidad Di Tella) *Duration and risk of unemployment in Argentina*

Alicia Menéndez (Princeton University) *Unemployment and Inequality*. (joint with Martín González Rosada).

**Panel: The Economic Impact of Labor Unions** Room: Chica Planta Baja. Chair: Ernesto Stein.

Adriana Cassoni (Department of Economics of the Social Sciences Faculty of Uruguay and Geops, Uruguay) The effects of Unions on Employment: The case of Uruguay (joint with S. Allen and G. Labadie)

Naercio Menezes-Filho (FIPE, Sao Paulo) The Effects of Unions on the Economic Performance of Brazilian Firms. (joint with Helio Zilberstajn, Jose Paulo Chahad, Elaine Pazello)

Discussant: Peter Khun, (UCLA)

**13:15: Lunch**

**15:15: Contributed Sessions**

**Debt Policy, Country Risk and Exchange Rates** Room: Agardy

Maria Lorena Garegnani (UNLP) Econometric Modelling of Argentine Default. (joint with Hildegard Ahumada)

Eduardo Moron (Universidad del Pacífico) *The Twin Risks in the Dollarization Debate: Country and Devaluation Risks*. (joint with Pablo Druck)

Nicolini, Juan Pablo (UTDT) *Optimal Devaluations* (joint with Constantino Hevia).

Jorge Carrera (UNLP) *An econometric approach to macroeconomic risk. A cross-country study*. (joint with Ana P. Cusolito, Mariano Feliz and Demian Panigo)

**Monetary Policy Issues** Room: Jorge Born

Ricardo Brito (IBMEC) *Stochastic Growth and Monetary Policy: The Impacts on the Term Structure of Interest Rates*. (joint with Renato G. Flores Jr.)

Joaquin Andrade (Universidade de Brasília) *Monetary Policy of the Bank of Japan - Inflation Target* (joint with Jose Angelo C. A. Divino)

Eric Parrado (NYU) *Optimal Interest Rate Policy in a Small Open Economy*. (joint with Andres Velasco)

Ana Maria Martirena Mantel (ITDT-CONICET) *Towards a Potential Monetary Union in Latin America: Testing the Endogeneity Criteria for Mercosur*. (joint with Hildegarth Ahumada)

### **New Evidence on Income Inequality Determinants** Room: Chica Planta Baja

Pablo Sanguinetti (UTDT) *Wage Inequality and Trade Liberalization: Evidence from Argentina*. (joint with Sebastián Galiani)

Pedro Albuquerque (Central Bank of Brazil) *A Practical Log-Linear Aggregation Method with Applications: Heterogeneous Income Growth and Redistribution in the U.S.*

Jorge Saba Arbache (Universidade de Brasilia) *A Picture of Wage Inequality and the Allocation of Labor through a Period of Trade Liberalization: The case of Brazil*. (joint with Francis Green and Andy Dickerson)

Samuel Freije and Andre Portela de Souza (Cornell University) *Earning Dynamics and Inequality in Venezuela: 1995 - 1997*.

### **Macroeconomic Forecasting and Time Series Methods** Room: Ledesma

Joao Victor Issler (Getulio Vargas Foundation) *The Missing Link: Using the NBER Recession Indicator to Construct Coincident and Leading Indices of US Economic Activity*. (joint with Farshid Vahid)

Victor Guerrero (ITAM) *Temporal Disaggregation and Forecasts of Mexico's monthly (unobservable) GDP*.

William Horrace (University of Arizona) *New Wine and Old Bottles: A Sequential Estimation for the LPM*. (joint with Ronald L. Oaxaca)

Garry D Phillips (Cardiff University) *Small Sample Properties of ML Estimators in AR - ARCH Models* (joint with Emma Iglesias)

### **Exchange and Auctions** Room: Lebach

Norman Thurston (Brigham Young University) *Sequential Auctions: Theory and Evidence from the Seattle Fur Exchange*. (joint with Val Lambson)

Roberto Serrano (Brown University) *The Evolution of Exchange* (joint with Oscar Volij)

Leandro Arozamena (UTDT) *Investment Incentives in Procurement Auctions* (joint with Estelle Cantillon)

### **Banking: Theory and Evidence** Room: Murchinson

Laura D'Amato (Central Bank of Republica Argentina) *Bank Competition in Argentina*:

1997-1999. (joint with Tamara Burdisso and Marcelo Catena)

Viviana Fernandez (University of Chile) *What the Term Structure has to say About Liquidity Premia.*

Alejandro Gaytan Gonzalez (NYU and Banco de Mexico) *Liquidity, Financial Intermediation and Growth.* (joint with Romain Ranciere)

Luc Laeven (World Bank) *Banking Risk and Deposit Insurance.*

**Network Economics, Industrial Organization and Regulation** Room: Banco UNB

Guillermo Israilevich (University of Chicago) *Fixed Costs, Variety and Welfare on the Internet.*

Scott Atkinson (University of Georgia) *Economic Efficiency and Productivity Growth in the Post -Privatization Chilean Hydroelectric Industry.* (joint with Claudia Halabi)

Felipe Balmaceda (ILADES - Georgetown University) *Human Capital Theory: General and Specific Investments and the Hold-Up Problem Revisited.*

Eduardo Saavedra (ILADES - Georgetown University) *Entry, Cream Skimming and Competition: Theory and Simulation for Satiango de Chile's Local Telephony Market.* (joint with Xavier Mancero)

**16:45: Coffee Break**

**17:00: Invited Lectures:**

**Agency Theory** Room: Chica Planta Baja. *Chair: Rafael Di Tella.*

Canice Prendergast (University of Chicago): *The Problem with Bureaucrats.*

David Martimort (Université de Toulouse): *Collusion, Delegation and Supervision with Soft Information.*

**Finance Theory.** Room: Ledesma. *Chair: Juan José Cruces.*

Aloisio Araujo (EPGE/FGV and IMPA). *General Equilibrium Models with Bankruptcy*

Jose Scheinkman (Princeton University). *Semigroup Pricing* (joint with Lars P. Hansen)

**International Finance (sponsored by BankBoston Argentina)** Room: Jorge Born. *Chair: Javier Ortiz.*

Enrique Mendoza (Duke University). *Credit, Prices and Crashes: Business Cycles with a Sudden Stop*

Andrés Velasco (Harvard University). *The Impossible Duo? Globalization and Monetary Independence in Emerging Markets.*

**Econometrics** Room: Lebach. *Chair: Hildegath Ahumada.*

A. Ronald Gallant (University of North Carolina). *Efficient Methods of Moments.*

Rosa Matzkin (Northwestern University and Universidad de San Andrés) *Semiparametric and Nonparametric Methods for Simultaneous Equations Models*

## **18:15. Break**

## **18:30. Invited Lectures**

**Advances in Game Theory.** Room: Ledesma. *Chair: Fernando Tohme.*

Ariel Rubinstein (Tel Aviv University). *Debates and Decisions, On a Rationale of Argumentation Rules* (joint with J. Glazer)

Marilda Sotomayor (University of Sao Paulo). *Reaching the core through college admissions stable mechanisms.*

**Political Economy** Room: Lebach. *Chair: Carlos Winograd*

Allan Drazen (University of Maryland at College Park) *Recent Developments in Political Business Cycles.*

Pablo Spiller (UC Berkeley). *The institutional foundations of public policy* (joint with Mariano Tommasi)

**Incomplete Markets. Sponsored by Bolsa de Comercio de Buenos Aires.** Room: Jorge Born. *Chair: Martín González Eiras.*

Yves Balasko (University of Geneva). *Incomplete Financial Markets from the Temporary Equilibrium Perspective.*

Herakles Polemarchakis (Brown University). *Financial Policy and the Price Level* (joint with Tomoyuki Nakajima).

**Special Lecture: Mario Blejer , Senior Economist (IMF) and Advisor for the Ministry of Economy (Argentina): "The Asian Crises: Four Years Later".** *Chair: Osvaldo Schenone.*

Room: Agardy

## **19:45: Adjourn**

## **FRIDAY July 27<sup>th</sup>**

**9:15: Carlos Díaz Alejandro Lecture.** *Chair: Mariano Tommasi.*

Dani Rodrik (Harvard University). *Institutional Innovation, Policy Fads and Economic Reform*

## **10:45: Coffee Break**

## **11:00: Invited Sessions and Panels**

**Topics in Macroeconomics** Room: Lebach. *Chair: Juan Pablo Nicolini.*

Dirk Niepelt (International Institute of Economic Studies) *The Fiscal Myth of the Price Level.*

Jorge Roldos (IMF) *Monetary Policy in a Financial Crisis* (joint with Larry Christiano and Chris Gust)

Pablo Andrés Neumeyer (UTDT) *The Time Consistency of the Friedman Rule* (joint with Fernando Alvarez and Patrick Kehoe)

Fernando Alvarez (University of Chicago-UTDT) *The Size of the Permanent Component of the Asset Pricing Kernel*.

**Income Inequality** Room: Jorge Born. *Chair: Ariel Fiszbein.*

Ishac Diwan (World Bank) *Labor, financial crises, and globalization*

Francois Bourguignon (World Bank) *The microeconomics of income distribution dynamics: a comparative analysis of selected countries in Asia and Latin America*. (joint with Francisco Ferreira and Nora Lustig).

Emmanuel Saez (Harvard University) *Income Inequality in the U.S., 1913-1998*

**Agency Theory Issues** Room: Ledesma. *Chair: Héctor Chade.*

Roberto Burguet (Institute for Economic Analysis) *Competitive Procurement with Corruption* (joint with Yeon – Koo Che)

Ernesto Dal Bo (Oxford University) *Plata o Plomo, Bribes, Punishments and Reputation* (joint with Pedro Dal-Bó and Rafael Di Tella)

Federico Weinschelbaum (Universidad de San Andrés) *The Threat of Insurance. On the Robustness of Principal Agent Models*. (joint with Mariano Tommasi).

**Panel: Foreign Direct Investments and the Development of Underdeveloped Economies**. Room: Agardy.

Eduardo Fernandez Arias (IDB) *Courting FDI: Is competition Bad?* (joint with Ricardo Hausman and Ernesto Stein)

Ernesto Stein (IDB) *Institutions, Integration and the Location of FDI* (joint with C. Daude)

Maurice Kugler (University of Southampton): *The diffusion of externalities from Foreign Direct Investment: Theory Ahead of Measurement*.

**12:30 Lunch**

**Standing Committee Special Lunch (by invitation only)**

**14:30. Contributed Sessions**

**Political Economy and Institutions** Room: Jorge Born

Miguel Braun (Harvard University) *Why is Fiscal Policy Procyclical in Developing Countries?*

Sebastian Saiegh (NYU and Universidad de San Andres) *Is there a democratic advantage? Assessing the role of Political Institutions in Sovereign Borrowing*

Jorge M Streb (CEMA) *Signalling in Political Cycles: Competency or Opportunism*.

**Growth: Evidence and Empirical Methodologies** Room: Chica Planta Baja

Christian Johnson (Central Bank of Chile) *A Switching Regime Model for Chilean*

*Growth.*

Alejandro Onofri (University of Nebraska - Lincoln) *Measuring the Impact of Public Inputs on Productivity Growth.* (joint with Lylian Fulgitini)

Mauricio Drelichman (Northwestern University) *Law, Institutions and Growth.*

Carlos Zarazaga (Federal Reserve Bank of Dallas) *Argentina's growth Performance during the lost decade* (joint with Finn Kydland)

**General Equilibrium and Financial Markets** Room: Ledesma

Emilio Espino (UNLP) *Capital Accumulation in an Economy with Private Information and a Finite Number of Heterogeneous Agents.*

Jose Fajardo (Universidade Catolica de Brasilia) *Arbitrage and Equilibrium in CMO Markets.* (joint with Aloisio Araujo and Mario Pascoa)

Elvio Accinelli (Universidad de la República) *Singular Economies.*

Mitch Tvede (University of Copenhagen) *Voting in Assemblies of Shareholders and Incomplete Markets.* (joint with Herve Cres)

**Time Series Econometrics** Room Lebach

José Antonio González (Stanford University). *Exchange Rate Pass-through and Partial Dollarization: Is There a Link*

Frederick Demers (University of Ottawa) *Analyzing the Stability of the Taylor in Canada* (joint with Gabriel Rodriguez)

Matias Tapia (Central Bank of Chile) *Stable Money Demands: A Seasonal Cointegration Approach.* (joint with Raimundo Soto)

Juan José Cruces (Universidad de San Andrés). *Statistical Properties of Sovereign Credit Ratings*

**Financial Contagion, Financial Crisis and Recovery from the Crisis** Room: Agardy

Guglielmo. M. Caporale (South Bank University) *Monetary Policy and the Exchange rate during the Asian Crisis: identification through heteroskedasticity..* (joint with P. Demetriades)

Maria Soledad Martinez Peria (World Bank) *Is the Crisis Growing More Severe?* (joint with Michael Bordo, Barry Eichengreen and Daniela Klingebeld)

Gonzalo Castañeda (Universidad de las Américas - Puebla) *Internal Capital Markets. An explanation of the Mexican recovery after the 1995 crisis.*

Massimo Sbracia (Bank of Italy) *Correlation Analysis of Financial Contagion: What you should know before running a test.* (joint with Giancarlo Corsetti and Marcelo Pericoli)

**Decision Theory, Game Theory and Learning** Room: Murchinson

Federico Echenique (UTDT) *A Characterization of Strategic Complementarities*

Wilfredo Maldonado (Universidade Federal Fluminense) *A Note on Learning Chaotic*

*Sunspot Equilibrium* (joint with Aloisio Araujo)

Oscar Volij (Brown University and Hebrew University) *In defense of Defect*.

Eduardo Zambrano (University of Notre Dame) *The Tension between Prediction and Optimization in Interactive Belief Systems*

**New developments in Economics of Development** Room: Banco UNB

Anna Aizer (UCLA) *Home Alone: Maternal Employment, Child Care and Adolescent Behavior*

Marco Manacorda (LSE) *The Evolution of Living Arrangements Among Young Italian Men* (joint with Enrico Moretti)

Reynaldo Fernandes (University of Sao Paulo) *Explaining the Time Allocation Decisions of Adolescents in Latin America and the Caribbean* (joint with Naercio Menezes Filho, Paulo Pichetti and Renata Narita)

Daniel Lederman (World Bank). *Socializing in Argentina*.

**16:00: Coffee Break**

**16:15: Invited Lectures and Panels**

**Regulation and Incentives** Room: Lebach. *Chair: Fernando Navajas*.

Eduardo Engel (Yale University) *The Economics of Highway Franchising*.

Hugo Hopenhayn (University of Rochester and Universidad Di Tella). *Social Insurance and Incentives*.

**Auctions: Theory and Applications**. Room: Ledesma. *Chair: Enrique Bour*.

Paul Klemperer (Oxford University) *What Really Matters in Auction Design*

Alejandro Manelli (Arizona State University, Universidad de San Andrés) *Optimal Selling Strategies for Multiple Good Monopolists*.

**Revista de Análisis Económico Lecture (sponsored by Revista de Analisis Economico)**. Room: Chica Planta Baja. *Chair: Raimundo Soto*.

Michele Boldrin (University of Minnesota). *The Pension System we should have. Reconsidering the link between pensions and economic growth*

**Special Invited Panel**

***The Making of Economic Policy in Theory and Practice***. Room: Agardy. *Chair: Mariano Tommasi*.

Ricardo Hausman (Harvard University)

Federico Sturzenegger (Ministry of Economy of Argentina)

José De Gregorio (Member of the Board, Central Bank of Chile)

**17:45: Rolf Mantel Lecture**. *Chair: Alejandro Manelli*

Pierre-André Chiappori (University of Chicago) *The Debreu – Mantel – Sonnenschein Problem Thirty Years Later. Where do we stand?*

**19:15: Adjourn**

**SATURDAY July 28<sup>th</sup>**

**9:15: Miguel Sidrauski. Sat 28. Chair: Rosa Matzkin.**

Maurice Obstfeld (UC Berkeley) *International Macroeconomics. Beyond the Mundell Fleming Model.*

**10:45: Coffee Break**

**11:00: Invited Lectures**

**Banking Theory.** Room: Jorge Born. *Chair: Marcelo Dabós.*

Sudipto Bhattacharya (London School of Economics) *Contracting and Financing in Knowledge. Intensive Environments.*

Xavier Vives (Instituto de Análisis Económico, CSIC) *Dollarization, Bailouts and the Stability of the Banking System.* (joint with Douglas Gale)

**Learning and Evolution** Room: Ledesma. *Chair: Enrique Kawamura.*

David Easley (Cornell University). *Learning and Evolution in Markets.*

David Levine (UCLA). *Evolution of Cooperation through Imitation* (joint with Wolfgang Pesendorfer).

**Labor Markets and Unemployment** Room: Chica Planta Baja. *Chair: Sebastián Galiani.*

Gilles St. Paul (Université de Toulouse) *Distribution and growth in an economy with limited needs*

Dale Mortensen (Northwestern University). *Is the (Danish) Labor Market Monopsonistic?*

**Mario Henrique Simonsen Lecture** Room: Lebach. *Chair: Aloisio Araujo.*

Alberto Trejos (INCAE, Costa Rica). *Opening Small Economies and Dollarization*

Mariano Tommasi (CEDI-Universidad de San Andrés). *Institutions, Intertemporal Political Agreements, and Public Policies.*

**Special Lecture: Alfredo Cuevas, Senior Economist (IMF).**

**Globalization: Will it end up Changing some of our Economic Paradigms?** Room: Agardy

**12:15: Lunch**

**14:15: Contributed Sessions and Panel**

**Applied Econometrics** Room: Ledesma

Kaddour Hadri (University of Liverpool) *Testing for Stationarity in Heterogeneous Panel Data with Serially Correlated Errors*

Roberto Alvarez (Universidad de Chile) *The Impact of Licenses in a "Later Starter" LDC: Chile in the 1990's*

Eduardo Fiuza (Instituto de Pesquisa Economica Aplicada). *Estimation of the Consumer Demand System*

Jesús Otero (Universidad del Rosario) *On the Dynamics of Lending of Deposit Interest rates in Emerging markets: A Non-Linear Approach.* (joint with Costas Milas and Ana María Iregui)

**Topics in General Equilibrium Theory** Room: Banco UNB

Arnold Chassagnon (Université Toulouse I) *Second Best Optima in an Adverse Selection Insurance Model*. (joint with Bertrand Villeneuve)

Jorge Rivera (Universidad de Chile) *Competitive Equilibrium with Small Indivisibilities.* (joint with Michael Florig)

Alejandro Jofre (Universidad de Chile) *Continuity properties for Nash and Walras Equilibrium points and applications* (joint with Roger Weiss)

Pascal Gourdel (University Paris1) *Decentralizing weakly Pareto Optimal Allocations in Infinite Dimensional non-convex Economies.* (joint with Monique Florenzano and Alejandro Jofre)

**Privatization, Auctions and Regulation: Theory and Evidence** Room: Chica Planta Baja

Maximo Torero (Group of Analysis for Development) *The Impact of the Privatization of Telecommunications in Peru on the Welfare of Urban Consumers.*

Ivan Canay (UADE) *Measuring Inefficiency in Public Utilities: Does the Distribution Matter.* (Joint with Martín Rossi)

Ronald Fischer (Universidad de Chile) *How to auction an essential facility when underhand agreements are possible* (joint with Eduardo Engel and Alexander Galetovic)

**Corruption, Political Institutions and Public Policy** Room: Lebach

Ernesto Schargrodski (UTDT) *Using a Terrorist Attack to Estimate the Effect of Police on Crime.* (joint with Rafael Di Tella)

Omar Arias (IDB) *Heterogeneity in the Determinants of Income Tax Evasion: a Quantile Regression Analysis of U.S. TMCP Data.* (joint with CO-AUTOR)

Francisco Ferreira (PUC - Rio) *Education for the Masses?*

Alvaro Forteza (Universidad de la República) *Electoral Competition and the Unfunding of Public Pension Programs.*

**Labor Economics** Room: Agardy

Erwan Quintin (Federal Reserve Bank of Dallas) *Formality or Size Premium. Evidence from Argentinean Wages.* (joint with Sangeeta Prata)

Janine Berg (New School for Social Research) *Is there a Wage Curve in Chile?* (joint with Dante Contreras)

Maria Tannuri Pianto (Universidade de Brasília) *Relative Earnings of Immigrants and Natives under Changes in the US Wage Structure: 1970 - 1990: A Quantile Regression Approach.*

Samuel Berlinski (CEDI and Universidad de San Andres) *On the Estimation and Testing of Wage Equations Using GMM.*

### **Topics on Inflation** Room: Murchinson

Eduardo Ley (IMF) *Whose Inflation? A Characterization of the CPI Plutocratic Bias.*

Joe Akira Yoshino (Universidade de São Paulo) *A Restatement of the Welfare Costs of Inflation: The Waste of Scarce Resources in manufacturing and Household Sectors.*

Marco Terrones (IMF) *Fiscal Deficits and Inflation: A New Look at the EM Evidence.* (joint with Luis Catao)

Michael Kumhof (Stanford University) *A Theory of Rational Inflationary Inertia.* (joint with Guillermo Calvo and O. Celasun)

### **Income Distribution Issues** Room: Jorge Born

Guillermo Paraje (University of Cambridge) *Inequality, Welfare and the Polarisation in the Great Buenos Aires.*

Bernardo Blum (UCLA) *Decomposing Income Inequality into Trade, Technological and Factor Supply Components: theory and Data.*

Jose Wynne (UCLA) *Income Distribution as a Pattern of Trade*

Sebastian Galiani (UTDT) *Optimal Income Support Targeting.* (joint with Stefan De Wachter)

### **Panel: International Trade and Economic Structure (organized by the World Bank)**

Room: Constantini (Library Building).

Alexandre Monge-Naranjo (Northwestern University) *Human Capital and Economic Structure in Costa Rica and El Salvador*

Pablo Sanguinetti (UTDT): *Determinants and Consequences of the Structure of Trade in Argentina*

Daniel Lederman and Colin Xu (World Bank) *Determinants of Comparative Advantage and Trade Intensity: Are Factor Endowments Destiny?*

Marcelo Olarreaga (World Bank) *Is Mercosur a Stepping Stone for Global Competition? An Empirical Assessment*

**15:45: Coffee Break**

**16:00: Presidential Address.** *Chairman: Aloisio Araujo*

Avinash Dixit (Princeton). *On modes of economic governance*

**17:30: Coffee Break**

**17:45: Contributed Sessions**

**Exchange Rate Policy** Room: Agardy

Christian Broda (MIT) *Terms of Trade and Exchange Rate Regimes in Developing Countries*

José Ernesto López Córdova (IDB). *Exchange-Rate Regimes and International Trade: Evidence from the Classical Gold Standard Era* (joint with Chris Meissner)

Eduardo Levy-Yeyati (UTDT) *To Float or to Trail: Evidence on the Impact of Exchange Rate Regimes.* (joint with Federico Sturzenegger)

Federico Sturzenegger (UTDT) *Exchange Rate Regimes and Economic Performance.* (joint with Eduardo Levy-Yeyati)

**Credit and Insurance Markets and Institutions** Room: Chica Planta Baja

Andrea Zaghini (Bank of Italy) *The role of Banking System in the International Transmission of Shocks.* (joint with Massimo Sbracia)

Alejandro Micco (IDB) *Customer Turnover in the Chilean Pension System: Is it Inefficient?.*

Alberto Chong (IDB) *Structure and Development of Financial Institutions and Links with Trust: Cross - Country Evidence.* (joint with Arturo Galindo and Cesar Calderon)

Andres Arias (UCLA) *Banking Productivity and Economic Fluctuations: The story of Colombia and its New Banking Regulation in the Late 1990's*

**Unemployment, Search and Labor Market Fluctuations** Room: Jorge Born

Gonzalo Hernandez Licona (ITAM) *Unemployment and Household Structure in Mexico.*

Frederic Karamé (University of Paris 1) *Can the Mortensen and Pissarides Model Reproduce the Asymmetric Dynamics of US and French Aggregate Gross Job Flows?.*

Alvaro Riascos (Banco de la República de Colombia) *Monetary Policy Rules in a Search Model of the Labor Market.*

Robert M. Hussey (Georgetown University) *Evaluating Business Cycle Models with Labor Market Search.*

**Topics on Growth Theory** Room: Ledesma

Mari Carmen Puigcerver Penalver (Universidad de Murcia) *Productive Public Expenditures, productivity and Growth*

Rodrigo Soares (University of Chicago) *Life, Expectancy, Educational Attainment and*

*Fertility Choice.*

Nikola Spatafora (IMF) *Economic Growth, Endogenous Reductions in Mortality, and the Demographic Transition.*

Fernando Tohme (Universidad Nacional de Bahia Blanca) *Political Regimes, Instability and Economic Growth.* (joint with Carlos Dabus)

**Topics in Economic Theory (Pure and Applied) Room: Lebach**

Ahmet Alkan (Sabanci University) *Stable Schedule Matching under Revealed Preference* (joint with David Gale)

Gustavo Bergantiños (Universidad de Vigo) *Voting by Committees with Exit.* (joint with D. Berga, Alejandro Neme , J. Masso)

Alejandro Saporiti (Universidad Nacional de Bahia Blanca) *Order-restricted Preferences and Strategy -Proof Social Choice Rules.* (joint with Fernando Tohme)

Juan Dubra (Yale University and Universidad de Montevideo) *A Comparison of Alternative Models of Information.* (joint with Federico Echenique)

**Economics of Incomplete and Imperfect Information Room: Murchinson**

Subir Chakrabarti (Indiana University, Purdue University IND) *Collusion and Information Revelation in Oligopolies with Unknown Costs.*

Humberto Moreira (PUC-Rio) *Endogenous Altruism and Capitation Contracts.* (joint with Marcos Lisboa)

Felipe Zurita (Universidad de Chile) *Liquidity and the Simple IO of Stock Exchanges.* (joint with Alexander Galetovic)

Martin Besfamille (UTDT) *Do Insurance Defrauders want to be Punished?* (joint with David Alary)

**Public Policy Issues Room Banco UNB**

Dante Contreras (Universidad de Chile) *Evaluating a Voucher System in Chile.*

Angel Calderon Madrid (El Colegio de Mexico) *Evaluating the Impact on Employment and Unemployment Spells in Mexican Training Program for Unemployed Persons.* (joint with Belem Trejo)

Gustavo Ventura (University of Western Ontario) *Marriage and Taxes: A Two Sided Search Analysis.* (joint with Hector Chade)

Marcelo Delajara (Universidad Siglo XXI) *Federal Grants, Local Public - Good Provision and Consumption Smoothing.*

**19:30: Closing Ceremony, Dinner, Party.**