

# ECONOMETRICA

JOURNAL OF THE ECONOMETRIC SOCIETY

*An International Society for the Advancement of Economic  
Theory in its Relation to Statistics and Mathematics*

## CONTENTS

GEORGE-MARIOS ANGELETOS, CHEN LIAN, AND CHRISTIAN K. WOLF: Can Deficits Finance Themselves? .....	1351
BENJAMIN BROOKS AND SONGZI DU: On the Structure of Informationally Robust Optimal Mechanisms .....	1391
DAVIDE CANTONI, CATHRIN MOHR, AND MATTHIAS WEIGAND: The Rise of Fiscal Capacity: Administration and State Consolidation in the Holy Roman Empire .....	1439
DEVESH RUSTAGI: Historical Self-Governance and Norms of Cooperation .....	1473
HAOGE CHANG, JOEL A. MIDDLETON, AND P. M. ARONOW: Exact Bias Correction for Linear Adjustment of Randomized Controlled Trials .....	1503
TOM D. HOLDEN: Robust Real Rate Rules .....	1521
MATTEO CERVELLATI, GIORGIO GULINO, AND PAOLO ROBERTI: Random Votes to Parties and Policies in Coalition Governments .....	1553
XAVIER GIROUD, SIMONE LENZU, QUINN MAINGI, AND HOLGER MUELLER: Propagation and Amplification of Local Productivity Spillovers .....	1589
ALEXANDR KOPYTOV, BINEET MISHRA, KRISTOFFER NIMARK, AND MATHIEU TASCHEREAU-DUMOUCHEL: Endogenous Production Networks Under Supply Chain Uncertainty	1621
ULRICH K. MÜLLER AND MARK W. WATSON: Spatial Unit Roots and Spurious Regression	1661
LUKAS MAHLER AND MINCHUL YUM: Lifestyle Behaviors and Wealth-Health Gaps in Germany .....	1697
JOEL WATSON: Contractual Chains .....	1735
SUBMISSION OF MANUSCRIPTS TO THE ECONOMETRIC SOCIETY MONOGRAPH SERIES .....	1775
ONLINE ONLY COMMENT:	
MARINA AGRANOV, BENJAMIN GILLEN, AND DOTAN PERSITZ: A Comment on “Testing Models of Social Learning on Networks: Evidence From Two Experiments”	o1

# ECONOMETRICA

JOURNAL OF THE ECONOMETRIC SOCIETY

*An International Society for the Advancement of Economic*

*Theory in its Relation to Statistics and Mathematics*

*Founded December 29, 1930*

Website: [www.econometricsociety.org](http://www.econometricsociety.org)

## EDITOR

GUIDO W. IMBENS, Graduate School of Business and Dept. of Economics, Stanford University, 655 Knight Way, Stanford, CA 94305-5015, U.S.A.; [imbens@econometricsociety.org](mailto:imbens@econometricsociety.org)

## MANAGING EDITOR

GERI MATTSON, 2002 Holly Neck Road, Baltimore, MD 21221, U.S.A.; [mattsonpublishingservices@comcast.net](mailto:mattsonpublishingservices@comcast.net)

## DIRECTOR OF PUBLICATIONS

MARY BETH BELLANDO-ZANIBONI, Cowles Foundation, Yale University, 30 Hillhouse Avenue, New Haven, CT 06511, U.S.A.; [econometrica@econometricsociety.org](mailto:econometrica@econometricsociety.org)

## CO-EDITORS

ORIANA BANDIERA, London School of Economics and Political Science, Houghton Street, London WC2A 2AE; [o.bandiera@econometricsociety.org](mailto:o.bandiera@econometricsociety.org)

MARINA HALAC, Dept. of Economics, Yale University, 30 Hillhouse Avenue, New Haven, CT 06520-8281, U.S.A.; [marina.halac@econometricsociety.org](mailto:marina.halac@econometricsociety.org)

KATE HO, Dept. of Economics, Princeton University, Julis Romo Rabinowitz Building, Princeton, NJ 08544, U.S.A.; [kate.ho@econometricsociety.org](mailto:kate.ho@econometricsociety.org)

CHARLES I. JONES, Graduate School of Business, Stanford University, 655 Knight Way, Stanford, CA 94305-5015, U.S.A.; [chadj@econometricsociety.org](mailto:chadj@econometricsociety.org)

PARAG PATHAK, Massachusetts Institute of Technology, 50 Memorial Drive, E52-426, Cambridge MA 02142, U.S.A.; [ppathak@econometricsociety.org](mailto:ppathak@econometricsociety.org)

FRANCESCO TREBBI, Haas School of Business, University of California, Berkeley, 2220 Piedmont Ave., Berkeley, CA 94720, U.S.A.; [ftrebbi@econometricsociety.org](mailto:ftrebbi@econometricsociety.org)

LEEAT YARIV, Princeton University, Department of Economics, Julis Romo Rabinowitz Building, Princeton, NJ 08544, U.S.A.; [lyariv@econometricsociety.org](mailto:lyariv@econometricsociety.org)

## DATA EDITOR

JOAN LLULL, Dept. of Economics, Universitat Autònoma de Barcelona, Barcelona School of Economics, Edifici B—Campus de Bellaterra, 08193 Bellaterra, Cerdanyola del Vallès, Barcelona, Spain; [joan.llull@econometricsociety.org](mailto:joan.llull@econometricsociety.org)

## ASSOCIATE EDITORS

NIKHIL AGARWAL, Massachusetts Institute of Technology

MARINA AGRANOV, California Institute of Technology

DAVID AHN, Washington University in St. Louis

TIMOTHY B. ARMSTRONG, University of Southern California

EDUARDO AZEVEDO, University of Pennsylvania

DAVID BAQAEE, University of California, Los Angeles

MARCO BASSETTO, Federal Reserve Bank of Minneapolis

TIMO BOPPART, Stockholm University

LORENZO CALIENDO, Yale University

STEFANO CARIA, University of Warwick

LORENZO CASABURI, University of Zurich

KATHERINE CASEY, Stanford University

MATIAS D. CATTANEO, Princeton University

CHRISTOPHER P. CHAMBERS, Georgetown University

DENIS CHETVERIKOV, University of California, Los Angeles

CHRISTOPHER T. CONLON, New York University

ERNESTO DAL BÓ, University of California, Berkeley

JAN DE LOECKER, KU Leuven

REBECCA DIAMOND, Stanford University

DAVID DILLENBERGER, University of Pennsylvania

MATTHEW ELLIOTT, Cambridge University

BENJAMIN FABER, University of California, Berkeley

AMANDA FRIEDENBERG, University of Michigan

CECILE GAUBERT, University of California, Berkeley

ALEX GERSHKOV, Hebrew University of Jerusalem and University of Surrey

RACHEL GRIFFITH, University of Manchester

BENJAMIN HANDEL, University of California, Berkeley

B. KELSEY JACK, University of California, Berkeley

NAMRATA KALA, Massachusetts Institute of Technology

LOUKAS KARABARBOUNIS, University of Minnesota

JAKUB KASTL, Princeton University

MICHAL KOLESÁR, Princeton University

IVANA KOMUNJER, Georgetown University

DAVID LAGAKOS, Boston University

STEPHAN LAUERMAN, Universität Bonn

BINGJING LI, Hong Kong University

JIA LI, Singapore Management University

ELLIOT LIPNOWSKI, Yale University

ELENA MANRESA, New York University

ALISDAIR MCKAY, Federal Reserve Bank of Minneapolis

MORITZ MEYER-TER-VEHN, University of California, Los Angeles

ANNA MIKUSHEVA, Massachusetts Institute of Technology

MARCELO MOREIRA, Fundação Getulio Vargas

MIKKEL PLAGBORG-MÖLLER, Princeton University

CHRISTOPH ROTHE, University of Mannheim

ERAN SHMAYA, Stony Brook University

LUDWIG STRAUB, Harvard University

TOMASZ STRZALECKI, Harvard University

VASILIS SYRGKANIS, Stanford University

JUUSO TOIKKA, University of Pennsylvania

LAURA VELDkamp, Columbia University

FRANK VERBOVEN, KU Leuven

EMANUEL VESPA, University of California-San Diego

MATTHEW J. WISWALL, Johns Hopkins University

GUO XU, University of California, Berkeley

DAVID YANAGIZAWA-DROTT, University of Zürich

DAVID YANG, Harvard University

MOTOHIRO YOGO, Princeton University

SEVGI YUKSEL, New York University

ALI YURUKOGLU, Stanford University

ANDRIY ZAPECHELNYUK, University of Edinburgh

Information on MANUSCRIPT SUBMISSION is provided on the last page.

Information on MEMBERSHIP, SUBSCRIPTIONS, AND CLAIMS is provided in the inside back cover.