

EQUALITY • SOCIAL ORGANIZATION • PERFORMANCE

ESOP

ANNUAL REPORT 2013



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THE YEAR 2013

All over the world women are living under diverse conditions and working under diverse rules. This is true when we compare women between themselves and when we compare women to men. Clearly, women are overrepresented among the poor, among the low paid, and among those who take care of others. Accordingly, they are the strongest defenders of social welfare arrangements. No wonder that gender issues are so central in much of ESOP's research activities, both in the context of the Nordic experiences and more generally. This year's research activities at ESOP provide ample evidence.

ESOP celebrated the hundred year's anniversary of Norwegian women's suffrage by focusing on the status of women worldwide. Lena Edlund and Andreas Kotsadam set the tone. Two of our research fellows, Sara Cools and Ingrid Krüger, defended their Ph.D. dissertations. ESOP also awarded the prize to the best master thesis on gender issues to Nina Bruvik Westberg for her fine work on how girls' schooling is helped by general policies to fight poverty and to increase the education of their mothers.

All this fit well into the ongoing research projects at ESOP on women's rights and development, on divorce risks and working wives, on prostitution, sex markets and the internet, on gender gaps in political participation, on family policies and paternity leave, on responsible employees.

Across OECD countries the male-female gap in wages and hours worked has shown a decline over the past three decades. In most of Europe, men work less and women work more, while total labor supply is in decline. We have continued to explore these issues of how inequality across household relates to gender equality.

For instance, gender wage gaps affect household incomes. When the rich marry the rich, inequality among individuals can be magnified. When children from richer households take more education than children from poorer households, the social sorting can become rather persistent. This year we have also started a new project on the inequality of equal mating. The project explores assortative mating, the extent to which persons with high earnings potential tend to marry others with high earning potential. We compare differences over time and across countries. One hypothesis is that equality within the family may generate inequality across families. So far comparisons across countries indicate that more of the total inequality among households in the Nordic countries is caused by tendencies of 'birds of an equal feather to flock together'.

Also in 2013 researchers at ESOP have received awards and prizes. Bård Harstad received the Fridtjof Nansen Award in addition to the Erik Kempe Award. Kjetil Storesletten received the Chinese Sun Yefang Award, Alexander Cappelen "Akademikerprisen," and Ingvild Almaas the Nils Klim Award.

ESOP obtained additional research funding in 2013: The project "European Strains" funded by the Norwegian Research Council Program *Europe in Transition*. ESOP is a proud host of Kjetil Storesletten's Advanced Grant from the European Research Council.

Among the many workshops and research seminars that ESOP organized in 2013, we would like to emphasize the ThReD conference on economic development with participants from across the globe.



Prof. Kalle Moene
Centre director



Prof. Halvor Mehlum
Deputy director



Johannes Elgvin
Head of administration

RESEARCH AREAS

We structure our research around six subareas:



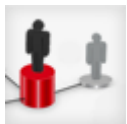
The Welfare State



Social Organization



Development and Globalization



Income and Social Mobility



Institutions and Society Models



Foundational issues

With a flexible interpretation these areas cover most of the research at ESOP.

The Welfare State



It is ESOP's ambition to explore the sustainability of generous welfare states. What determines their performance and their economic and political feasibility?

Welfare states provide valuable safety nets, insurance, and redistribution, but these policies also affect people's incentive to work, save, and invest. The political support for the welfare state depends, among other things, on the distribution of income. Gender also plays an important role as women are strong supporters of the welfare state. The willingness to pay taxes may in turn depend on what the welfare state provides and to whom it provides it. These interdependencies must be accounted for.

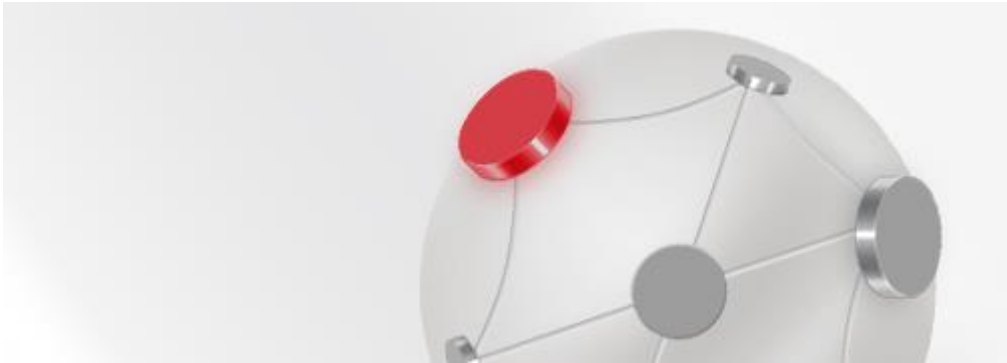
Social Organization



It is ESOP's ambition to explore the interaction between markets, social equality and worker security. Do market forces erode social reforms? Do social reforms erode market efficiency?

There is a strong interdependence between how the economy is organized, how the workplace is organized, and what culture of trust and cooperation that prevails in a society. Egalitarian societies usually have less hierarchical firms. This work organization in return reinforces the mechanisms that sustain egalitarian features. Small social differences in society and at the workplace may also produce less social conflict, more cohesion, and hence more smoothly functioning societies with more cooperation. The importance of feed-back mechanisms and consistency is often emphasized in Economics, but the framework is usually limited to the market mechanism. The interconnections between the economic, social, and political forces should be captured within similar frameworks.

Development and Globalization



It is ESOP's ambition to understand the viability of egalitarian market economies. What are the impacts of global competition for the distribution of income and prosperity?

Questions concerning the viability of egalitarian societies are relevant for all countries, rich or poor, egalitarian or inegalitarian. In all countries there are linkages between equality, social organization, and economic performance. These linkages are as important for the survival of the European welfare states as for the feasibility of an equitable society in general. Can Nordic-style welfare arrangements be introduced in all types of societies? Or are they only feasible in consensual, homogeneous and affluent societies with an extraordinary commitment to equality? Do the Nordic lessons have any relevance for countries that are conflict-ridden, heterogeneous, and poor? We study the feasibility of implementing welfare state arrangements in poor countries and to what extent the Scandinavian model can be understood as a development strategy. Can there be a welfare state for the poor? Welfare state arrangements are most needed where they are least developed. Welfare state arrangements in extremely poor countries could perhaps play an essential role for economic growth, social fairness, and gender equality.

Income and Social Mobility



It is ESOP's ambition to understand the linkages between economic performance, distribution, and social disparities. What are the costs and benefits of more equality?

Over the last 30 years, social equality and worker security have persisted in the Nordic countries and economic growth has been at par with the US. In the US, rising inequality has gone hand in hand with social cleavages and lower welfare. In contrast, most of Europe has experienced only a modest rise in inequality, but a sharp rise in unemployment. The Nordic countries, however, have in the same period combined social equality with good macroeconomic performance and full employment. To study the role of inequality, we must first derive what economic theory predicts for these societies. We can then confront the theoretical hypotheses with the observed patterns and draw valid conclusions.

Institutions and Society Models



It is ESOP's ambition to understand the interaction between policies, institutions, and long term development. What set of policies and institutions may generate an egalitarian development path within a consistent arrangement?

Institutional complementarities and social spillovers are important to understand modern societies and the Nordic experience. Certain policies, institutions and behaviours fit together and strengthen each other. In the long run, the outcomes may look as if societal arrangements come in certain social and economic organization packages. What are the mechanisms behind this clustering around certain institutional equilibria? Is there a universal relationship between equality and economic performance, or do equality and prosperity go together only under some institutional arrangements?

Foundational issues



The last category of our research consists of an overarching category that spans all the others. Typically it covers theoretical and empirical method developments, clarifications of concepts and terms, and overviews.

A QUICK TOUR OF SOME PROJECTS

Below we present some of ESOP's projects related to each category. The projects listed represent examples of the on-going research. The list does not cover projects that were adequately covered in previous years' reports. Some of the projects have just been started and have not yet resulted in published research while others are closer to completion and are also found in the list of Publications or Working Papers later in this report.

Disclaimer: *We define an ESOP project as a research project where at least one author is part of ESOP's research team. Some of the projects below have funding from other sources than the Department or the Research Council's ESOP research grant.*

The Welfare State

In welfare states, the lines between unemployment and disability insurance are blurred. In the article "Job Loss and Disability Insurance" Bratsberg and Røed (together with Fevang) provide new insights on the causal relationships between individual employment opportunities and disability program enrollment. They frame the empirical analyses on the notion that there is a gray area between unemployment and disability insurance, and that shocks to individual employment opportunities may trigger disability insurance claims even when health status remains unchanged. The data comes from Norwegian administrative employer–employee registers, augmented with firms' audited accounts and information collected from bankruptcy courts. The bankruptcy data make it possible to distinguish genuine mass layoffs from organizational restructuring, demergers, and takeovers. Their results show that disability insurance and non-participation risks are indeed significantly affected by exogenous change in employment opportunities. The more difficult it is to find a new job, the higher is the probability that displacement leads to disability retirement. The evidence presented in the paper shows that the process of reallocating redundant workers from old to new employers is far from seamless. Many displaced workers permanently change status from contributing to the welfare state to becoming supported by it. Significant human capital resources are squandered in this process.

At the core of ESOP's research lays the issues of complementarities between economic and social forces. Moene has contributed to *The Quest for Security: Protection Without Protectionism and the Challenge of Global Governance* edited by Stiglitz and Kaldor (2013). In the chapter "Scandinavian Equality - A prime example of protection without protectionism" Moene discusses the special equalizing forces of the Scandinavian societies. What are the lessons for economics as a discipline? Contrary to standard expositions he emphasizes how the welfare state should be understood as an institution that empowers weak groups; why Scandinavia redistributes twice - first in the labor market - next via the welfare state; how institutions and policies must fit together; why protection without protectionism is feasible; how the Scandinavian Model came as a result of evolution not of intelligent design.

Social Organization

By "Social Organizations" we mean how different parts of society are organized. In 2013 ESOP together with core partners got the funding from the Norwegian Research Council for the project *European Strains*. In this project we will explore the many tensions within and across European

societies. *European Strains* is an interdisciplinary research proposal on crises, institutions, and changing social models in Europe. Europe is in flux and its institutions are subjected to strains. The economy is marked by crisis, mass unemployment, indebtedness, and no growth. The welfare state provides insufficient protection. Citizens show social unrest and anger. Yet the present problems should be viewed in the light of past achievements. Most observers praise how the European economic and political integration has produced large gains for its citizens. The concern is now whether European integration is built on fragile compromises that only work in times of prosperity, or whether European institutions show more stability once they pass the phase of trial and error.

Integration has no doubt brought the European countries closer together but efforts meant to coordinate some policies have failed to coordinate others. Monetary policy and exchange rate policy, for instance, have been lifted up to the EU level, while fiscal policy and wages are still determined at the national level. Excessive fiscal policies and wage growth have therefore not been met by higher interest rates or a depreciating exchange rate. The Greek government could therefore accumulate huge debt while the private sector became less competitive. This is in sharp contrast to Germany where wages and spending have been held in check. The varying experiences and the resulting strains raise important questions about national institutions of collective bargaining and wage coordination.

With further integration, the EMU countries face harsher competition, while central macroeconomic tools are outside national control. There are strains related to fiscal harmonization, the four freedoms, welfare policies, and rising inequality. Wage inequality can perhaps be offset by workers moving to regions where wages are higher, while capital moves where wages are lower. But the movement of capital and workers may equally well reinforce each other, splitting Europe in booming and declining regions.

To explore these issues the project will combine the perspectives of cooperation, competition, and conflict with the relevant descriptive details and empirical studies. To do all this we will involve several disciplines and their perspectives. We will follow ESOP's research profile and integrate a social, economic and institutional approach, with theoretical perspectives and empirical studies of several disciplines.

Development and Globalization

One reoccurring theme in ESOP's research is the consequences of resource abundance for economic development. With its many varieties across the globe, resource management is one research field that connects the Norwegian experience to diverse countries from Angola via Kuwait to Timor-Leste. What is the economic impact of natural resources? Most of the existing empirical studies approach this problem by aggregating heterogeneous natural resources and studying the experience of a set of different countries, states, counties, etc. together. It is very hard to interpret the results of many of the existing studies in light of the fundamental question of how an economy would have evolved in the absence of natural resource endowments. To make progress on this issue Mideksa takes a radically different approach. He estimates the impact of a particular set of natural resource endowments for a single economy, namely Norway. By focusing on a single economy and isolating the impact of a particular set of natural resources, he provides a microscopic perspective on the issue. He finds that petroleum products have contributed to 20 percent of the yearly Norwegian growth.

Holden has derived lessons from the Norwegian resource management. In the paper "Avoiding the Resource Curse. The Case Norway" he starts with the observation that in many countries, natural resources have been detrimental to the economic development. The literature on "the resource curse"

shows a bleak relationship: countries with large natural resources generally experience lower economic growth than other countries. Norway does not fit into this picture. Economic growth has been much higher than in most other industrialized countries. This paper describes the key features of the Norwegian management of the petroleum resources. The main focus is on the management of the revenues from the petroleum sector. To achieve the ambition of oil benefitting the society as a whole, including future generations a number of policies were adopted on different areas. The regulation and taxation system should ensure that the oil revenues were exploited in a safe and profitable way, and that the bulk of the oil revenues were reaped by the state. An additional aim was to obtain a significant Norwegian participation in the petroleum activities, so that Norwegian companies could build up expertise and take part in the oil and gas sector. The policy was formulated and approved unanimously by the Norwegian Parliament.

While the two works above focus on Norway with potential relevance for other countries, Mehlum and Østenstad focus on oil rich Gulf countries. They carry out a detailed study of these countries migration policies. These policies are relevant well beyond the Gulf countries borders. First these policies are clearly important for millions of migrants from Asia. Second the domestic political forces and interests explaining the migration policy choices may also be relevant - admittedly in a diluted form- for a resource rich country like Norway. The study looks at migration policies along two dimensions: a) the number of migrants allowed into the country and b) whether or not to encourage migrants' remittances. It is found that the migration of guest workers leads to a wage drop hurting citizen workers, while capitalists and oil rent earners benefit. When income is remitted out of the economy, the real exchange rate depreciates. The remittance outflow benefits oil rent earners while capitalists and workers lose. Hence the three classes of citizen agents have diverging interests with regard to their preferred policy mix. The diverging policy preferences, have political economy consequences, in particular in relation to the distribution of oil rents and the relative political influence of workers, capitalists and oil rent earners.

Income and social mobility

The organization within the family and how it interacts with welfare state policies continues to be a main theme. One issue relates to how norms are transmitted across generations. Kotsadam and Finseraas have produced a paper investigating how the woman and man as role models affect children. They ask whether family policies change gender relations in society, in particular whether the distribution of parental leave between the mother and father affects the behavior of their children. In the study, they analyze whether differences in household work between individuals can be explained by norms resulting from their parents being exposed to different parental leave rules. The effect they find is that girls, due to changes in the parental leave rules, spending more time at home with their father are less likely to do household work. The result suggests that the daddy quota equalized the probability of doing household work between boys and girls.

Institutions and Society Models

As the name “Equality, Social Organization and Performance” suggests the relationship between equality and the functioning of the society is a core topic for ESOP. In 2013 Storesletten started his ERC advanced grant project *Macroequality*. This project will develop macroeconomic models with heterogeneity across people and firms to understand the consequences of two profound macro trends:

the economic transformation of China and the rising cross-sectional inequality in many countries. The ultimate aim is to help these models become everyday tools in macro, development labor economics, and actual policy making.

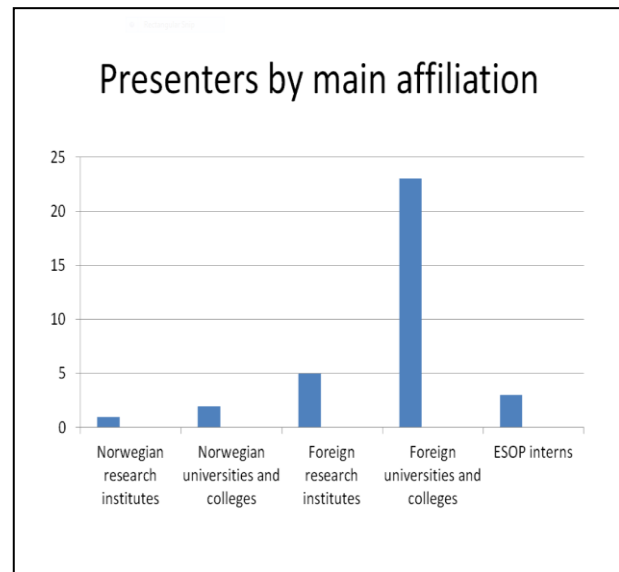
Inequality and human capital accumulation is an important theme. For example, progressive taxation is particularly distortive for education choices. This calls for complementary policies. The project will also explore the nexus between inequality and aggregate risk, and the interaction between inequality and the dynamics of political conflict. The project will provide sharper tools for policy analysis. A key aim is to integrate models of mistakes into structural macro models. While such models generally assume rationality, welfare programs are often geared to precisely address negative consequences of human errors. The framework has a wide range of potential uses. A large part of the project focuses on China. The rapid economic transformation of emerging economies has raised many new questions for economic theory and policy. The project will develop models with heterogeneity to address these issues. A key goal is to develop a quantitative structural model that can become the benchmark model of fiscal policy analysis and long-run forecasts in China. As an application, the project will study cost and gains of various redistribution programs. The project also aims at examining the sources of growth and inflation in China and, ultimately, understanding the reasons behind the Chinese growth miracle.

Foundational issues

The foundational issues we research are the basis of our other studies. Asheim (together with T. Mitra, Wolfgang Buchholz and Withagen) have contributed to the literature on the concept of sustainability. In one article they provide general conditions under which consumption can be sustained indefinitely at positive levels in the Dasgupta-Heal-Solow-Stiglitz model. In another article Asheim uses the same model to discuss arguments for supply-side climate policies. He shows that by controlling supply of carbon fuel the distribution of income between capital owners and resource owners is less affected than under suggested demand-side policies. Such observations are of interest as avoiding functional redistribution may facilitate climate change negotiations.

ESOP RESEARCH SEMINARS

Since the beginning, the weekly ESOP Research seminar has been an important part of ESOP's activities. It is an informal, high-quality series of seminars on the range of topics covered by ESOPs research agenda. In 2013, we hosted a total of 34 ESOP seminars with lecturers representing 28 different institutions from Norway and abroad. The lecturers present some of their research and usually discuss an upcoming paper. The seminars are well attended, averaging about 30 visitors per seminar.



ESOP Research seminars 2013



Paolo Piacquadio



Tony Venables



Andreas Moxnes



Fransesc Dilme



Hitoshi Tsujiyama



Sandra Sequeira



Simone Valente



Beata Javorcik



Alberto Martin



Konrad Burchardi



John Morrow



Bård Harstad



Måns Söderbom



Ram Fishman



Manudeep Bhuller



Johannes Hörner

21 Jan: Paolo Piacquadio (AMSE)

"On Ranking Intergenerational Allocations in Risky Environments"

4 Feb: Tony Venables (U. of Oxford)

"Depletion and development: natural resource supply with endogenous field opening"

11 Feb: Andreas Moxnes (Dartmouth College)

"Technology, Trade Costs, and the Pattern of Trade with Multi-Stage Production"

18 Feb: Franscesc Dilme (U. of Penn)

"Building (and Milking) Trust: Reputation as a Moral Hazard Phenomenon".

25 Feb: Hitoshi Tsujiyama (U. of Goethe)

"Implications of Health Care Reform for Inequality and Welfare".

4 Mar: Sandra Sequeira (LSE)

"Displacing Corruption: Evidence from a Tariff Liberalization Program"

11 March: Simone Valente (NTNU)

"China's Savings Multiplier".

18 March: Beata Javorcik (U. of Oxford)

"WTO Accession and Tariff Evasion"

15 April: Alberto Martin (CREi)

"Bubbly Collateral and Economic Activity"

22 April: Konrad Burchardi (IIES)

"The Economic Impact of Social Ties: Evidence from German Reunification"

29 April: John Morrow (LSE)

"Left, Right, Left: Income and Political Dynamics in Transition Economies"

6 May: Bård Harstad (ESOP)

"Private Politics and Public Regulation"

13 May: Måns Söderbom (U. of Gothenburg)

"The cost of road infrastructure in developing countries"

21 May: Ram Fishman (George Washington University)

"Water depletion, adaptation and migration: evidence from India"

27 May: Manudeep Bhuller (Statistics Norway)

"Education and Lifetime Earnings"

10 June: Johannes Hörner (Yale University)

"Optimal Design for Social Learning"

17 June: Kevin Lansing (FRB)

"Top Incomes, Rising Inequality, and Welfare"

2 Sep: Tim Worrall (U. of Edinburgh)

"Dynamic Relational Contracts with Risk"

9 Sep: Saki Bigio (Colombia University)

"Banks, liquidity management and monetary policy"

16 Sep: Nick Sheard (AMSE)

"Urban Location, Housing Equilibrium, and Retiree Migration"

23 Sep: Moti Michaeli (Hebrew U.)

"The Origins of In-Group Bias and Costly Signaling of Group Membership"

30 Sep: Jeanet Bentzen (U. of Copenhagen)

"Origins of Religiousness: The Role of Natural Disasters"



Kevin Lansing



Tim Worall



Saki Bigio



Nick Sheard



Moti Michaeli



Jeanet Bentzen



Joan Esteban



Anders Akerman



Helena Skyt Nielsen



Katinka Holtsmark



Bertil Tungodden



Lore Vandewalle



Tessa Bold



Jakob Svensson



Peter Fredriksson



Andreas Kotsadam



Sverre Jensen



Paul Klein

Public lectures

3 May 2013: ESOP Public Lecture on Crises, Bubbles, and Collapses by Nobel-prize winner Professor Vernon L. Smith



Professor Vernon L. Smith, Chapman University, gave a lecture on how learning from economic experiments helps to inform the understanding of recessions and bubbles. Smith won the Nobel Prize in Economic Sciences in 2002 for having established laboratory experiments as a tool in empirical economic analysis, especially in the study of alternative market mechanisms.

4 October 2013: ESOP Public Lecture: The Female Vote and the Status of Women



For the 100 Year Anniversary of Norwegian women's right to vote, ESOP invited Lena Edlund and Andreas Kotsadam to talk about the current status of women worldwide from a development perspective.

Photo: International female academics in Oslo in 1924, from National Library of Norway.

Prizes

A prize of 25 000 NOK is awarded to Norway's best master thesis in economics on gender related issues every two years. In 2013 the ESOP gender prize was awarded to Nina Bruvik Westberg for her thesis 'Girls versus boys? Factors associated with children's schooling in rural Malawi'.



Director of ESOP, Kalle Moene, and prize winner, Nina Bruvik Westberg.

ESOP'S STAFF AND RESEARCH ACTIVITY IN NUMBERS

Staff in numbers

| Staff | 2013 | |
|--|--------------|------------------|
| | Person years | Number of people |
| Professors, associate professors and researchers | 10,7 | 55 |
| Postdoctoral fellows | 1,9 | 4 |
| Research fellows | 14,7 | 20 |
| Administrative staff | 1,2 | 2 |
| Research assistants | 1,5 | 9 |
| Guest researchers | 1,5 | 2 |
| Total | | 92 |

International Visitors

| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------|------|------|------|------|------|------|------|
| Number of visitors | 6 | 46 | 24 | 40 | 24 | 20 | 30 |

Research stays abroad

| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------------------------|------|------|------|------|------|------|------|
| Number of stays longer than one week | 8 | 8 | 13 | 15 | 8 | 5 | 13 |
| Number of people | 8 | 7 | 10 | 14 | 7 | 5 | 9 |

Workshops and conferences

| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|------|------|------|------|------|------|------|
| Number of workshops organised by ESOP | 1 | 3 | 4 | 8 | 4 | 5 | 4 |

Research activity in numbers

This table represents ESOP's research activity in numbers, according to the categories chosen by The Research Council of Norway. The Research Council made a categorical change in 2011. We have put our publications in the new categories all the way back to 2007.

The figures are based on what the ESOP researchers have reported themselves.

| Publications | | | | | | | | |
|---|------|------|------|------|------|------|------|------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Totalt |
| Articles published in scientific, refereed journals | 50 | 38 | 38 | 68 | 59 | 66 | 76 | 396 |
| Book chapters | 7 | 11 | 14 | 7 | 16 | 8 | 13 | 81 |
| Books (including PhD thesis) | 2 | 0 | 3 | 2 | 5 | 5 | 3 | 20 |

| Presentations | | | | | | | | |
|--|------|------|------|------|------|------|------|-------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Totalt |
| Lectures and presentations for academics, scholars, politicians etc. | 179 | 217 | 251 | 277 | 303 | 271 | 247 | 1745 |

| Public oriented dissemination activity | | | | | | | | |
|---|------|-------|-------|-------|-------|-------|------|--------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Totalt |
| Public-oriented dissemination activity (popular science articles, typically op-ed articles, etc.) | 38 | 68 | 71 | 68 | 91 | 72 | 80 | 488 |
| News publication in the media related to ESOP and our researchers | 266 | 1 038 | 1 163 | 1 306 | 1 819 | 2 212 | 2644 | 10448 |

EXTENDED LIST OF PUBLICATIONS 2013

***Disclaimer:** For all these publications at least one author is part of ESOP's research team. This (these) author(s) are in bold face. Some of the papers below are based on projects with funding or partially funding from other sources than the Department or ESOP's research grant from the Research Council of Norway.*

Publications forthcoming 2014

Asheim, Geir B and S. Zuber (2014): "Escaping the repugnant conclusion: rank-discounted utilitarianism with variable population", Forthcoming in *Theoretical Economics*

Bratsberg, Bernt with **Oddbjørn Raaum**, Marianne Røed, and Pål Schøne (2014); "Immigration Wage Effects by Origin", Forthcoming in *Scandinavian Journal of Economics*

Cools, Sara with Jon H. Fiva and Lars J. Kirkebøen (2014); "Paternity Leave" Forthcoming in *Scandinavian Journal of Economics*

Fernandez, Raquel (2014); "Women's Rights and Development", forthcoming in *Journal of Economic Growth*, 19(1), 37-80, March 2014.

Fernandez, Raquel with Joyce C. Wong (2014); "Divorce risk, wages, and working wives: a quantitative life-cycle analysis of female labor force participation" Forthcoming *Economic Journal*, 2014.

Fernandez, Raquel with Joyce C. Wong (2014); "Unilateral Divorce, the Decreasing Gender Gap, and Married Women's Labor Force Participation", Forthcoming in *AER P&P*, 2014.

Fiva, Jon H (2014); "Causal Effects of Paternity Leave on Children and Parents", Forthcoming in *Scandinavian Journal of Economics* 2014

Nyborg, Karine (2014); "Do responsible employers attract responsible employees?" Forthcoming in *IZA World of Labor*

Mitra, Anirban and **Debraj Ray** (2014); "Implications of an Economic Theory of Conflict: Hindu-Muslim Violence in India", forthcoming in *Journal of Political Economy*.

Torvik, Ragnar With James A. Robinson, Harvard and Thierry Verdier (2014), "Political foundations for the resource curse: A simplification and a comment", forthcoming in *Journal of Development Economics* 2014, January, 194-198

Storesletten, Kjetil with Heathcote and Violante (2014): "Consumption and Labor Supply with Partial Insurance: An Analytical Framework", forthcoming in *American Economic Review*, 2014

Sørensen, Erik with Kai Liu and Kjell G. Salvanes (2014): "Bad times at a tender age - how education dampens the impact of graduating in a recession" Forthcoming in *Nordic Economic Policy Review*, 2014

Storesletten, Kjetil and **Fabrizio Zilibotti** (2014): "China's Great Convergence and Beyond." Forthcoming in *Annual Review of Economics*, 2014

Sørensen, Erik with **Cappelen, Alexander W.**, Knut Nygård and **Bertil Tungodden** (2014): "Efficiency, equality and reciprocity in social preferences: A comparison of students and a representative population", Forthcoming in *Scandinavian Journal of Economics*.

Sørensen, Erik with **Alexander W. Cappelen**, Rune Jansen Hagen and **Bertil Tungodden** (2014): "Do non-enforceable contracts matter? Evidence from an international lab experiment", forthcoming in *Review of Income and Wealth*, 60(1), 100-113, 2014

Publications 2013

2013, **Aaberge, Rolf** and Ugo Colombino; "Using a Microeconomic Model of Household Labour Supply to Design Optimal Income Taxes", *Scandinavian Journal of Economics*, *Scandinavian Journal of Economics* 115, 449-475.

Abstract:

With regards to empirical applications of optimal taxation theory, analytical expressions are typically adopted for optimal taxes, and then numerical values are imputed to their parameters by calibration or by using previous estimates. We aim to avoid the restrictive assumptions and possible inconsistencies of this approach. In contrast, we identify optimal taxes by iteratively running a microeconomic model, based on 1994 Norwegian data, until a given social welfare function is maximized, given the public budget constraint. The optimal rules envisage monotonically increasing marginal rates (negative on very low incomes) and – compared to the current rule – a lower average rate, lower marginal rates on low incomes, and higher marginal rates on very high incomes.

2013, **Aaberge, Rolf** with A. Langørgen and S. Løkken; "Kommunenes økonomiske atferd 1972-2009", *Rapporter 21/2013*, Statistisk sentralbyrå.

Abstract:

Til tross for betydelige endringer i kommunenes økonomiske rammebetingelser i løpet av de siste 35-40 årene, har det vært stabilitet i hvilke demografiske, sosiale og geografiske faktorer som er bestemmende for kommunenes pengebruk innenfor ulike tjenestesektorer. Et unntak er barnehagesektoren som har gjennomgått store endringer.

Det er noen av funnene i rapporten Kommunenes økonomiske atferd 1972-2009 av SSB-forskerne Audun Langørgen, Sturla Løkken og Rolf Aaberge. Med modellanalyser forklarer forskerne variasjoner i kommunenes pengebruk per innbygger innenfor 12 ulike tjenesteytende sektorer (administrasjon, grunnskoler, øvrig utdanning, barnehager, helsestell, sosialhjelp, barnevern, pleie – og omsorgstjenester, kultur, kommunale veier, vann, avløp og renovasjon, samt øvrig infrastruktur).

2013, Alfsen, K. H. with T. Ericson, **M. Greaker** and P. E. Stoknes; "A Kantian approach to sustainable development indicators for climate change", *Ecological Economics* 90, p.10-18

Abstract:

Agenda 21 required countries to develop and regularly update a national set of indicators for sustainable development. Several countries now have such sets also including separate indicators for climate change. Some of these indicators typically report global concentration of green house gasses in the atmosphere or time series for global temperatures. While such indicators may give the public information about the state of the global climate, they do not provide a benchmark which makes it possible for the public to evaluate the climate policy of their government.

With Kantian ethics as our point of departure, we propose a benchmark for national climate policy. The benchmark is that each nation state should act as if a global treaty on climate change were in place. This would require each nation state to carry out all green house gas mitigation projects below at a certain cost. Furthermore, it would require each nation to keep their national green house gas emissions including acquisitions of emission permits from other countries within a certain limit. Both measures are relatively easy to track and can thus serve as indicators.

2013, Alfsen, K. with **M. Greaker** and T. Moe; "Sustaining Welfare for Future Generations: A Review Note on the Capital Approach to the Measurement of Sustainable Development", *Challenges in Sustainability*, 1:1, p. 16–26

Abstract:

Measuring sustainable development based on analytical models of growth and development and modern methods of growth accounting is an economic approach—often called the capital approach – to establishing sustainable development indicators (SDIs). Ecological approaches may be combined with the capital approach, but there are also other approaches to establishing sustainable development indicators—for example the so-called integrated approach. A recent survey of the various approaches is provided in UNECE, OECD and Eurostat [1].

This review note is not intended to be another survey of the various approaches. Rather the objective of this paper is twofold: to present an update on an economic approach to measuring sustainable development—the capital approach—and how this approach may be combined with the ecological approach; to show how this approach is actually used as a basis for longer-term policies to enhance sustainable development in Norway—a country that relies heavily on non-renewable natural resources. We give a brief review of recent literature and set out a model of development based on produced, human, natural and social capital, and the level of technology. Natural capital is divided into two parts—natural capital produced and sold in markets (oil and gas)—and non-market natural capital such as clean air and biodiversity. Weak sustainable development is defined as non-declining welfare per capita if the total stock of a nation's capital is maintained. Strong sustainable development is if none of the capital stocks, notably non-market natural capital, is reduced below critical or irreversible levels. Within such a framework, and based on Norwegian experience and statistical work, monetary indexes of national wealth and its individual components including real capital, human capital and market natural capital are presented. Limits to this framework and to these calculations are then discussed, and we argue that such monetary indexes should be sustainable development indicators (SDIs) of non-market natural capital, and physical SDIs, health capital and social capital. Thus we agree with the Stiglitz-Sen-Fitoussi Commission [2] that monetary indexes of capital should be combined with physical SDIs of capital that have no market prices.

We then illustrate the policy relevance of this framework, and how it is actually being used in long term policy making in Norway—a country that relies heavily on non-renewable resources like oil and gas. A key sustainability rule for Norwegian policies is to maintain the total future capital stocks per capita in real terms as the country draws down its stocks of non-renewable natural capital —applying a fiscal guideline akin to the Hartwick rule.

2013, **Andresen, Nils-August**; "Comment on Røed and Schøne: Immigration and native investment in human capital" in *Nordic Economic Policy Review*, 1/2013.

2013 Andersen, P.A. **with Ø. Kravdal**, T.H. Lyngstad and W. Sigle-Rushton; "Proceed with Caution? Parents' Union and Children's Educational Achievement", *Journal of Marriage and the Family* 76: 161-174

Abstract:

Using high-quality Norwegian register data on 49,879 children from 23,655 families, the authors estimated sibling fixed-effects models to explore whether children who are younger at the time of a parental union dissolution perform less well academically, as measured by their grades at age 16, than their older siblings who have spent more time living with both biological parents. Results from a baseline model suggest a positive age gradient that is consistent with findings in some of the extant family structure literature. Once birth order is taken into account, the gradient reverses. When analyses also control for grade inflation by adding year of birth to the model, only those children who experience a dissolution just prior to receiving their grades appear relatively disadvantaged. The results illustrate the need to specify and interpret sibling fixed-effects model with great care.

2013 **Asheim, Geir Bjarne** with T. Mitra, W. Buchholz, and C. Withagen; "Characterizing the sustainability problem in an exhaustible resource model", *Journal of Economic Theory* 148: 2164–2182

Abstract:

The Dasgupta-Heal-Solow-Stiglitz model of capital accumulation and resource depletion poses the following sustainability problem: is it feasible to sustain indefinitely a level of consumption that is bounded away from zero? We provide a complete technological characterization of the sustainability problem in this model without reference to the time path. As a byproduct we show general existence of a maximin optimal path under weaker conditions than those employed in previous work. Our proofs yield new insights into the meaning and significance of Hartwick's reinvestment rule.

2013 **Asheim, Geir Bjarne** with Stéphane Zuber; "A complete and strongly anonymous leximin relation on infinite streams", *Social Choice and Welfare* 41: 819- 834

Abstract:

Various extensions of the leximin order to the infinite dimensional setting have been suggested. They relax completeness and strong anonymity. Instead, by removing sensitivity to generations at infinite rank this paper defines a complete and strongly anonymous leximin relation on infinite streams. The order is axiomatized, and it is shown to be the limit of extended rank-discounted utilitarianism for any utility function, as the discount factor approaches zero.

2013 **Asheim, Geir Bjarne**; "A Distributional Argument for Supply-Side Climate Policies", *Environmental and Resource Economics*, 56, 239- 254

Abstract:

This paper presents a distributional argument for the use of supply-side climate policies whereby carbon emissions are controlled through (i) depletion quotas or (ii) permanent confiscation of a fraction of the in situ carbon stocks. The modeling considers intertemporal competitive equilibria in the Cobb-Douglas

version of the Dasgupta-Heal-Solow-Stiglitz model of capital accumulation and costless resource extraction. It is shown how policies (i) and (ii) preserve the functional distribution of income between capital owners and resource owners, compared to the case where no climate policy is needed, while suggested demand-side policies do not. Such observations are of interest as avoiding functional redistribution may facilitate climate change negotiations. The paper discusses policy implications of the analysis outside the simplified setting of the stylized model.

2013, **Barth, Erling** with Alex Bryson and Harald Dale-Olsen; “The Effects of Organizational Change on Worker Well-Being and the Moderating Role of Trade Unions” *Industrial and Labor Relations Review*, vol. 66 (4), 989-1011.

Abstract:

The authors explore the effects of organizational change on employee well-being using multivariate analyses of linked employer-employee data for Britain, with particular emphasis on whether unions moderate these effects. Nationally representative data consist of 13,500 employees in 1,238 workplaces. Organizational changes are associated with increased job-related anxiety and lower job satisfaction. The authors find that job-related anxiety is ameliorated when employees work in a unionized workplace and are involved in the introduction of the changes.

2013, **Barth, Erling, Alexander Wright Cappelen and Tone Ognedal**; “Fair tax evasion” *Nordic Journal of Political Economy*, vol. 38, 1-16

Abstract:

In this paper we analyse how fairness considerations, in particular considerations of just income distribution, affect whether or not people find tax evasion justifiable and their willingness to evade taxes. Using data from the Norwegian “Hidden Labour Market Survey” we show that individuals with low hourly wages and long working hours have a higher probability of justifying tax evasion. These are individuals that arguably are treated unfairly in a tax system that taxes an individual’s total income without taking into account how many hours the individual has worked. The same individuals are also more willing and likely to take home income without reporting it to the tax authorities. The results are consistent with a model in which individuals make a trade-off between economic gains and fairness considerations when they make decisions about tax evasion. Taken together our results suggest that considerations of fair income distribution are important for the analysis of tax evasion.

2013, **Barth, Erling and Karl O. Moene**; “Globalization, labor market institutions and wage structure” *Nordic Economic Policy Review*, vol. 1, 7-10

2013, **Barth, Erling and Karl O. Moene**; “Why do small open economies have such small wage differentials?” *Nordic Economic Policy Review*, vol. 1, 139-170.

2013, Berglann, Helge with Rolf Golombek and **Knut Røed**; “Kvinner og entreprenørskap” *Søkelys på Arbeidslivet*, Vol. 30 (2013), No. 4, 390-391.

2013, Berglann, Helge with Rolf Golombek and **Knut Røed**; “Entreprenørskap i Norge – Mest for menn?” *Søkelys på Arbeidslivet*, Vol. 30 (2013), No. 1-2, 3-21.

Sammendrag:

I Norge er bare én av fire entreprenører kvinner. I denne artikkelen benytter vi administrative registerdata til å lete etter årsaker til dette kjønnsgapet. Vi finner at ulikhet i kvinners og menns bransjetilhørighet kan forklare opp mot 30 % av forskjellen, men at andre kjennetegn – slik som utdanningsvalg og lønnsnivå som sysselsatt – trekker i motsatt retning. Alt i alt er det derfor bare om lag 20 % av kjønnsgapet som forklares av observerte kjennetegn. Basert på den eksisterende forskningslitteraturen er det nærliggende å anta at de resterende kjønnsforskjellene i noen grad avspeiler systematiske forskjeller mellom kvinner og menn med hensyn til risikoaversjon og konkurransevilje.

2013, Bijak, Jakub with Solveig Christiansen and Jonathan Forster, Tobie Glestad, **Nico Keilman**, James Raymer, Peter Smith and Arkadiusz Wisniowski; "Utilising Expert Opinion to Improve the Measurement of International Migration in Europe", *Journal of Official Statistics* 2013 ;Vol. 29.(4) p. 583-607

Abstract:

In this article, we first discuss the need to augment reported flows of international migration in Europe with additional knowledge gained from experts on measurement, quality and coverage. Second, we present our method for eliciting this information. Third, we describe how this information is converted into prior distributions for subsequent use in a Bayesian model for estimating migration flows amongst countries in the European Union (EU) and European Free Trade Association (EFTA). The article concludes with an assessment of the importance of expert information and a discussion of lessons learned from the elicitation process.

2013, Birkeland, Sigbjørn with **Alexander W Cappelen, Erik Sørensen, and Bertil Tungodden**; "An experimental study of prosocial motivation among criminals", *Experimental Economics* 2013

Abstract:

The fact that criminal behavior typically has negative consequences for others provides a compelling reason to think that criminals lack prosocial motivation. This paper reports the results from two dictator game experiments designed to study the prosocial motivation of criminals. In a lab experiment involving prisoners, we find a striking similarity in the prosocial behavior of criminals and non-criminals, both when they interact with criminals and when they interact with non-criminals. Similarly, in an Internet experiment on a large sample from the general population, we find no difference in the prosocial behavior of individuals with and without a criminal record. We argue that our findings provide evidence of criminals being as prosocially motivated as non-criminals in an important type of distributive situations.

2013, Bjørn, Erik with Simen Gaure, **Simen Markussen** and **Knut Røed**; "The Rise in Absenteeism - Disentangling the Impacts of Cohort, Age and Time", *Journal of Population Economics*, Vol. 26 (2013), No. 4, 1585-1608.

Abstract:

We examine the remarkable rise in absenteeism among Norwegian employees since the early 1990's, with particular emphasis on disentangling the roles of cohort, age, and time. Based on a fixed effects model, we show that individual age-adjusted absence propensities have risen even more than aggregate absence rates from 1993 to 2005, debunking the popular hypothesis that the rise in absenteeism resulted from the inclusion of new cohorts – with weaker work-norms – into the workforce. We also reject the idea that the rise in absenteeism resulted from more successful integration of workers with poor health; on the contrary, a massive rise in disability rolls during the 1990's suggest that poor-health workers

have left the labor market in unprecedented numbers.

2013, Boeri, T. with P. Garibaldi and **E. R. Moen**; “Financial Shocks and Labor: Facts and Theories” *Economic Review* (2013) 61, 631–663

Abstract:

The global financial recession of 2008–9 as well as historical precedents with financial crises suggest that financial shocks do translate into the labor markets. This paper first documents that financial recessions are different from other recessions in terms of their labor market impact, as they involve a larger employment/unemployment response conditioning on output. Second, it surveys the various mechanisms linking financial shocks to employment adjustment, developing a new theory of the effects of leverage on job creation and destruction. Third, it presents evidence coherent with one of such mechanisms, notably with the prediction that more leveraged firms experience larger job destruction during financial recessions, controlling for the scale of output falls.

2013, **Bratsberg, Bernt** with Elisabeth Fevang and **Knut Røed**; “Job Loss and Disability Insurance”, *Labour Economics*, Vol. 24, 137–150.

Abstract:

Based on administrative register data matched with firms’ financial statements and closure data collected from bankruptcy proceedings, we show that a large fraction of Norwegian disability insurance claims can be directly attributed to job displacement and other adverse shocks to employment opportunities. For men, we estimate that job loss more than doubles the risk of permanent disability retirement and accounts for one quarter of new disability insurance claims. Firm profitability and tightness of the local labor market also significantly affect employees’ likelihood of disability program entry, and the adverse effects of displacement grow stronger when local labor market conditions deteriorate.

2013, **Brekke, Kjell Arne** with Rolf Golombek and Sverre A.C. Kittelsen; “Is electricity more important than natural gas? Partial liberalizations of the Western European energy markets”, *Economic Modelling*, Vol. 35, 99–111.

Abstract:

The European Union has introduced directives that aim to liberalize and integrate electricity and gas markets in Western Europe. While progress has been made, there have also been setbacks, partly because of concerns about national interests and security of supply. This may call for an EU medium-term strategy to implement and enforce liberalizations in only selected parts of the energy industry. We use a numerical model to assess what types of liberalization – electricity vs. natural gas; domestic markets vs. international trade – are most influential in decreasing prices and increasing welfare in Western Europe. As part of identifying effects of different types of liberalizations, we present a method for calibrating the magnitude of deviations from the hypothetical competitive outcome in different parts of the energy industry in Western Europe. We find that a liberalization of electricity markets has greater quantity and welfare effects than a liberalization of gas markets, and that liberalizations of domestic energy markets have (overall) greater effects than liberalizations of trade in energy between Western European countries. Finally, the short-run effects essentially parallel the long-run effects, though they are significantly smaller.

2013, **Cappelen, Alexander Wright** and Runa Urheim; “Pension Funds, Sovereign-wealth Funds and Intergenerational Justice”, In *Spheres of Global Justice*.. Springer, s.747-755

Abstract

Pension funds and sovereign-wealth funds own a large and increasing fraction of the shares in publicly traded companies in the OECD area. These funds typically have a very long time horizon on their investments, as well as highly diversified portfolios. These features imply that the interests of these funds on important issues are aligned with the interest of future generations because the long-term return on a highly diversified portfolio will depend on the degree to which the development of the world economy is sustainable. It is, therefore, in the enlightened self-interest of these investors to use their shareholder rights so as to protect the interest of future generations. The paper explores the arguments for a more active corporate governance policy among pension funds and sovereign-wealth funds and discusses the obstacles to such policies.

2013, **Cappelen, Alexander W.** with Ulrik H Nielsen, **Erik Sørensen**, **Bertil Tungodden**, and Jean-Robert Tyran; “Give and Take in Dictator Games”. *Economics Letters* 2013 ;Volum 118.(2) s. 280-283

Abstract

It has been shown that participants in the dictator game are less willing to give money to the other participant when their choice set also includes the option to take money. We examine whether this effect is due to the choice set providing a signal about entitlements in a setting where entitlements initially may be considered unclear. We find that the share of positive transfers depends on the choice set even when there is no uncertainty about entitlements, and that this choice-set effect is robust across a heterogeneous group of participants recruited from the general adult population in Denmark. The findings are consistent with dictator giving partly being motivated by a desire to signal that one is not entirely selfish or by a desire to follow a social norm that is choice-set dependent.

2013, **Cappelen, Alexander W.** with **Kalle Moene**, **Erik Sørensen** and **Bertil Tungodden**; “Needs vs entitlements, an International Fairness experiment”, *Journal of European Economic Association* 2013; Vol.11.(3) s. 574-598

Abstract

What is the relative importance of needs, entitlements, and nationality in people's social preferences? To study this question, we conducted a real-effort dictator experiment where students in two of the world's richest countries, Norway and Germany, were matched directly with students in two of the world's poorest countries, Uganda and Tanzania. The experimental design made the participants face distributive situations where different moral motives came into play, and based on the observed behavior we estimate a social preference model focusing on how people make trade-offs between entitlements, needs, and self-interest. The study provides four main findings. First, entitlement considerations are crucial in explaining distributive behavior in the experiment; second, needs considerations matter a lot for some participants; third, the participants acted as moral cosmopolitans and did not assign importance to nationality in their distributive choices; and, finally, the participants' choices are consistent with a self-serving bias in their social preferences.

2013, **Cappelen, Alexander W.** with James Konow, **Erik Sørensen** and **Bertil Tungodden**; "Just luck: an experimental study of risk taking and fairness", *American Economic Review*, 103(4), 1398-1413, 2013.

Abstract:

Choices involving risk significantly affect the distribution of income and wealth in society. This paper reports the results of the first experiment, to our knowledge, to study fairness views about risk-taking, specifically whether such views are based chiefly on ex ante opportunities or on ex post outcomes. We find that, even though many participants focus exclusively on ex ante opportunities, most favor some redistribution ex post. Many participants also make a distinction between ex post inequalities that reflect differences in luck and ex post inequalities that reflect differences in choices. These findings apply to both stakeholders and impartial spectators.

2013, **Cappelen, Alexander W.** with **Erik Sørensen** and **Bertil Tungodden**; “When do we lie?” *Journal of Economic Behavior and Organization*, 93, 258-265, 2013.

Abstract:

The paper reports from an experiment studying how the aversion to lying is affected by non-economic dimensions of the choice situation. Specifically, we study whether people are more or less likely to lie when the content of the lie is personal, when they base decisions on intuition, and when they are in a market context. We also study how aversion to lying depends on personal characteristics, including age, gender, cognitive ability, personality and social preferences. Our main finding is that non-economic aspects of the choice situation are crucial in understanding aversion to lying. In particular, we find that people are less likely to lie when the content of the message is personal. We also find large effects from priming the participants to rely on intuition, but, interestingly, in this case the effect only applies to males. Finally, we find that people who are highly motivated by social preferences are more averse to lying, but there is no significant relationship between lying behavior and other personal characteristics.

2013, **Cappelen, Alexander W.** with **Erik Sørensen** and **Bertil Tungodden**; “Rettferdig Flaks”, *Samfunnsøkonomen*, 127(6), 43-44, 2013.

2013, **Cappelen, Alexander W.** and **Bertil Tungodden**; “Heterogeneity in fairness views: A challenge to the mutualistic approach?” *Behavioral and Brain Sciences 2013* ;Volum 36.(01) s. 84-85

Abstract:

This commentary argues that the observed heterogeneity in fairness views, documented in many economic experiments, poses a challenge to the partner choice theory developed by Baumard et al. It also discusses the extent to which their theory can explain how people consider inequalities due to pure luck.

2013, Clark, Derek and **Tore Nilssen**; “Learning by doing in contests”, In *Public Choice* (2013); Vol. 156(1-2), pages 329-343

Abstract:

We introduce learning by doing in a dynamic contest. Contestants compete in an early round and can use the experience gained to reduce effort cost in a subsequent contest. A contest designer can decide how much of the prize mass to distribute in the early contest and how much to leave for the later one in order to maximize total efforts. We show how this division affects effort at each stage, and present conditions that characterize the optimal split. There is a trade off here, since a large early prize increases first period efforts leading to a substantial reduction in second round effort cost; on the other hand, there is less of the prize mass to fight over in the second round, reducing effort at that stage. The results are indicative of the fact that the designer often prefers to leave most of the prize mass for the second contest to reap the gains from the learning by doing effect.

2013, Christiansen, Solveig with Tobie Glestad and **Nico Keilman**; "Probabilistic household forecasts based on register data - the case of Denmark and Finland". *Demographic Research* 2013 ;Vol. 28. p. 1263-1302

Abstract:

Background: Household forecasts are important for public planning and for predicting consumer demand.

Objective: The purpose of this paper is to compute probabilistic household forecasts for Finland and Denmark, taking advantage of unique housing register data covering the whole populations dating back to the 1980s. A major advantage is that we do not have to rely on small population samples, and we can get quite reliable estimates even for infrequent transitions. A further merit is having time series containing the population in different household positions (dependent child, living with a spouse, living in a consensual union, living alone, lone parent, living in other private household and institutional households) by age and sex.

Methods: These series enable us to estimate the uncertainty in the future distribution of the population across household positions. Combining these uncertainty parameters with expected shares computed in a deterministic household forecast, we simulate 3000 sample paths for the household shares for each age and sex. These paths are then combined with 3000 simulations from a stochastic population forecast covering the same period to obtain the predicted number of households and persons in each household position by age and sex.

Results: According to our forecasts, we expect a strong growth in the number of private households during a 30-year period, of 27% in Finland and 13% in Denmark. The number of households consisting of a married couple or a person who lives alone are the most certain, and single parents and other private households are the most uncertain.

2013, **Christiansen, Vidar**; "Agnar Sandmos bidrag til offentlig økonomi", *Samfunnsøkonomen* 2013 ;Volum 127 (1). s. 8-13

2013, **Christiansen, Vidar**; "Eksternalitetskorrigerende skatter og regulering", *Samfunnsøkonomen* 2013; Volum 127.(1) s. 47-48

2013, **Fernandez, Raquel**; "Culture as Learning: The Evolution of Female Labor Force Participation over a Century", *AER*, 103 (1), p.472-500.

Abstract:

Married women's labor force participation has increased dramatically over the last century. Why this has occurred has been the subject of much debate. This paper investigates the role of culture as learning in this change. To do so, it develops a dynamic model of culture in which individuals hold heterogeneous beliefs regarding the relative long-run payoffs for women who work in the market versus the home. These beliefs evolve rationally via an intergenerational learning process. Women are assumed to learn about the long-term payoffs of working by observing (noisy) private and public signals. They then make a work decision. This process generically generates an S-shaped figure for female labor force participation, which is what is found in the data. The S shape results from the dynamics of learning. I calibrate the model to several key statistics and show that it does a good job in replicating the quantitative evolution of female LFP in the US over the last 120 years. The model highlights a new dynamic role for changes in wages via their effect on intergenerational learning. The calibration shows that this role was quantitatively important in several decades.

2013, **Finseraas, Henning** and **Andreas Kotsadam**; “Causal effects of parental leave on adolescents’ household work” *Social Forces* 92 (1): 329-351

Abstract:

We exploit two Norwegian parental leave reforms to investigate their effects on adolescents' household work. The main reform increased the parental leave time by 7 weeks, 4 of which were reserved for the father, while the second reform raised only the general parental leave time by 3 weeks. We find a robust and substantial effect of the main reform implying that adolescent girls born immediately after the reform are less likely to do household work. By analyzing the two parental leave reforms together, we show that the father quota drives the results.

2013, **Fiva, Jon H.**; “Voting When the Stakes are High”, *Journal of Public Economics*, 110, 157–166

Abstract

Most theories of voter behavior predict that electoral participation will be higher in elections where more is at stake. We test this prediction by studying how participation is affected by exogenous variation in local governments' financial flexibility to provide pork for their voters. Utilizing simultaneous elections for different offices, we identify a positive effect of election stakes on participation: Higher stakes at the local level increase participation at the local relative to the regional election. Survey evidence indicates that the underlying mechanism relates to citizens' acquisition of information.

2013, **Fiva, Jon H.** with G. J. Natvik; “Do Re-election Probabilities Influence Public Investment”, *Public Choice*, vol. 157, 305-331

Abstract

An insight from dynamic political economy is that elected officials may use state variables to affect the choices of their successors. We exploit the staggered timing of local and national elections in Norway to investigate how politicians’ re-election probabilities affect their investments in physical capital. Because popularity is endogenous to politics, we use an instrumental variable approach based on regional movements in ideological sentiment. We find that higher re-election probabilities stimulate investments, particularly in programs preferred more strongly by the incumbent parties. This aligns with theory where capital and current expenditures are considered complementary inputs to government production.

2013, **Gates, Scott** and Håvard Mokleiv Nygård; “Soft Power at Home and Abroad: Sport Diplomacy, Politics and Peace-building.”, *International Area Studies Review*, 16(3): 235-243

Abstract

Soft power is the power to persuade whereby one actor in a non-coercive manner convinces another to want the same things he/she wants. Sport can be used as tool of soft power both internationally and domestically. Peace-building and nation-building can be achieved through four mechanisms of sport diplomacy and politics: image-building; building a platform for dialogue; trust-building; and reconciliation, integration and anti-racism. These mechanisms are not deterministically controllable and can have unintended consequences. On the one hand, sporting events can be used as a means of building trust between adversaries. On the other, the hostilities between peoples can be mirrored on playing fields. This article examines the intended and unintended consequences of each mechanism. It also examines the role of confounding economic factors. Each article comprising this Special Issue explores

a different mechanism of sport politics and public diplomacy.

2013, Godbout, Jean-Francois and **Bjørn Høyland**; "The Emergence of Parties in the Canadian House of Commons (1867 - 1908)" *Canadian Journal of Political Science*, vol. 46 (4): 773 – 797

Abstract.

This study analyses legislative voting in the first ten Canadian Parliaments (1867–1908). The results demonstrate that party unity in the House of Commons dramatically increased over time. From the comparative literature on legislative organization, we identify three factors to explain this trend: partisan sorting, electoral incentives and negative agenda control. Our empirical analysis shows that intraparty conflict is primarily explained by the opposition between Anglo-Celtic/Protestants and French/Catholic members of Parliament. Once lawmakers sort into parties according to their religious affiliations, we observe a sharp increase in voting unity within the Liberal and Conservative caucuses. Ultimately, our results highlight the importance of territorial and socio-cultural conflicts, as well as agenda control, in explaining the emergence of parties as cohesive voting groups in the House of Commons.

2013, **Greaker, M.** and C. Hagem; "Strategic Investment in climate friendly technologies: The impact of permit trade", *Environmental and Resource Economics*, Springer, August 2013.

Abstract:

Our point of departure is that a group of industrialized countries invest in research and development (R&D) of greenhouse gas (GHG) abatement technologies. R&D investments influence the future GHG abatement choices of both industrialized and developing countries. We distinguish between investments that reduce industrialized countries' abatement costs and investments that reduce developing countries' abatement costs. Unlike earlier contributions, we include global trading in emission permits. This changes the nature of the game. With global permit trading, industrialized countries should in many cases invest strategically in technologies that only reduce abatement costs at home. This comes in addition to investments abroad. Second, we show that R&D investments always decrease total emissions. Finally, we find that the developing region receiving investments always benefits.

2013, **Greaker M.** with K. Grimsrud; "Hvordan sikre bærekraftig forvaltning av økosystemer?" *Samfunnsøkonomen* 3/2013

2013, **Greaker, M.** with C. Hagem and J. Hovi; "Hvordan kan en internasjonal klimaavtale håndheves?" *Samfunnsøkonomen* 2/2013

2013, **Havnes, Tarjei** with **Edwin Leuven**, **Magne Mogstad** and M. S. Bhuller; "Broadband Internet: An Information Superhighway to Sex Crime?" In *The Review of Economic Studies* 2013, Vol. 80.(4) p. 1237-1266

Abstract

Does internet use trigger sex crime? We use unique Norwegian data on crime and internet adoption to shed light on this question. A public program with limited funding rolled out broadband access points in 2000-2008, and provides plausibly exogenous variation in internet use. Our instrumental variables and fixed effect estimates show that internet use is associated with a substantial increase in reported incidences of rape and other sex crimes. We present a theoretical framework that highlights three

mechanisms for how internet use may affect reported sex crime, namely a reporting effect, a matching effect on potential offenders and victims, and a direct effect on crime propensity. Our results indicate that the direct effect is non-negligible and positive, plausibly as a result of increased consumption of pornography.

2013, Herbst, CH, C. Lemièrre, K.L. Leonard, O. Mæstad, A. Soucat and **G. Torsvik**, "Evaluating the impact of results based financing on health worker performance", *Draft report*, Washington: World Bank. 2013.

2013, **Hernæs, E., S. Markussen, J. Piggott, and O. Vestad**; "Does retirement age impact mortality?", *Journal of Health Economics*, vol. 32, 586-598

Abstract

The relationship between retirement and mortality is studied with a unique administrative data set covering the full population of Norway. A series of retirement policy changes in Norway reduced the retirement age for a group of workers but not for others. Difference-in-differences estimation based on monthly birth cohorts and treatment group status show that the early retirement programme significantly reduced the retirement age; this holds true also when we account for programme substitution, for example into the disability pension. Instrumental variables estimation results show no effect on mortality of retirement age; neither do estimation results from a hazard rate model.

2013, Hix, Simon and **Bjørn Høyland**; "The Empowerment of the European Parliament" *Annual Review of Political Science*, 2013, vol. 16

Abstract

One of the most remarkable democratic developments in Europe in recent decades has been the empowerment of the only directly elected supranational assembly in the world: the European Parliament (EP). We first review the development of the legislative powers of the EP vis-à-vis the other European Union (EU) institutions, discussing the theoretical models of the power of the EP and the main empirical methods that have been used to evaluate these models. We then turn to the impact of the growing power of the EP on political organization and behavior inside the legislature. We demonstrate that the "electoral connection" is weak and discuss what this means for understanding legislative politics in the EP. The concluding section demonstrates differences in behavior across policy areas, which have received scant attention, and suggests avenues for further research.

2013, **Hoel, Michael** with **Katinka Holtsmark** and B. Holtsmark; "Optimal harvest age considering multiple carbon pools – a comment". In *Journal of Forest Economics*, Vol. 19 (1), 87-95

Abstract

In two recent papers, Asante and Armstrong (2012) and Asante et al. (2011) considered the question of optimal harvest ages. They found that the larger are the initial pools of dead organic matter (DOM) and wood products, the shorter is the optimal rotation period. In this note, it is found that this conclusion follows from the fact that the authors ignored all release of carbon from decomposition of DOM and wood products after the time of the first harvest. When this is corrected for, the sizes of the initial stocks of DOM and wood products do not influence the optimal rotation period. Moreover, in contrast to the conclusions in the two mentioned papers, our numerical analysis indicates that inclusion of DOM in the model leads to longer, not shorter, rotation periods.

2013, **Holden, Steinar**; “Do Choices Affect Preferences? Some Doubts and New Evidence”, *Journal of Applied Social Psychology*, Vol. 43 (1), 83-94

Abstract

When testing for the existence of choice-induced changes in preferences, one is faced with the combined problem that the preferences are measured imperfectly and that the choice reflects the true preferences. The upshot is that the choice yields information about any measurement errors, implying that the choice may predict a change in measured preferences. Previous studies have neglected this effect, interpreting a change in measured preferences as a change in true preferences. This paper argues that the problems with previous studies can be mitigated by eliciting more information about the preferences of the participants prior to the choices. The paper reports results from a novel experiment, where the evidence does not support the existence of a choice-induced change in preferences.

2013, **Holden, Steinar**; “Avoiding the resource curse. The case Norway”, *Energy Policy*, Vol. 63, 870-876

Abstract

In many countries, natural resources have been detrimental to the economic development. The literature on “the resource curse” shows a bleak relationship: countries with large natural resources generally experience lower economic growth than other countries. Norway does not fit into this picture. Economic growth has been much higher than in most other industrialized countries. This paper describes the key features of the Norwegian management of the petroleum resources. The main focus is on the management of the revenues from the petroleum sector, but the effects of the petroleum sector on the Norwegian economy more generally are also discussed.

2013, **Holtmark, Katinka** and **Kristoffer Midttømme**; “Fornybar energi, et middel”. *Samfunnsøkonomen*, 2013, 7, p. 10-12.

2013, Irarrazabal, Alfonso with Andreas Moxnes and **Karen Helene Ulltveit-Moe**; “Heterogeneous Firms or Heterogeneous Workers? Implications for Exporter Premiums and the Gains from Trade”, *Review of Economics and Statistics* 2013 ; Volum 95.(3), pages 839-849,

Abstract

We investigate to what extent worker heterogeneity explains the well-known wage and productivity exporter premiums, employing a matched employer-employee data set for Norwegian manufacturing. The wage premium falls by roughly 50% after controlling for observed and unobserved worker characteristics, while the total factor productivity premium falls by 25% to 40%, suggesting that sorting explains up to half of these premiums. Recent trade models emphasize the role of within-industry reallocation of labor in response to various shocks to the economy. Our findings suggest that aggregate productivity gains due to reallocation may be overstated if not controlling for sorting between firms and workers.

2013, Jakobsson, Niklas and **Andreas Kotsadam**; “The Law and Economics of International Sex. Prostitution Laws and Trafficking for Sexual Exploitation” *European Journal of Law and Economics* 35(1).

Abstract

International trafficking in humans for sexual exploitation is an economic activity driven by profit motives. Laws regarding commercial sex influence the profitability of trafficking and may thus affect the inflow of trafficking to a country. Using two recent sources of European cross country data we show that trafficking of persons for commercial sexual exploitation (as proxied by the data sets we are using) is least prevalent in countries where prostitution is illegal, most prevalent in countries where prostitution is legalized, and in between in those countries where prostitution is legal but procuring illegal. Case studies of two countries (Norway and Sweden) that have criminalized buying sex support the possibility of a causal link from harsher prostitution laws to reduced trafficking. Although the data do not allow us to infer robust causal inference, the results suggest that criminalizing procuring, or going further and criminalizing buying and/or selling sex, may reduce the amount of trafficking to a country.

2013, **Javorcik, Beata** and Yue Li; "Do the Biggest Aisles Serve a Brighter Future? Global Retail Chains and Their Implications for Romania", *Journal of International Economics*, vol. 90 (2)

Abstract

During the past two decades many countries have opened their retail sector to foreign direct investment (FDI), yet little is known about the implications of such liberalization for their economies. Using a unique dataset combining outlet-specific information on global retail chains with a panel of Romanian manufacturing firms, this study sheds some light on this question. The results suggest that the expansion of global retail chains leads to a significant increase in the total factor productivity (TFP) in the supplying manufacturing industries: a 10% increase in the number of foreign chains' outlets is associated with a 2.4% to 2.6% boost to the TFP in the supplying industries. The decomposition of the aggregate productivity in the supplying industries suggests that the boost to performance is driven by both within-firm improvements and between-firm reallocation. Both changes are found to be associated with the expansion of foreign chains. These conclusions are robust to a variety of specifications and supported by evidence from a firm-level survey. They suggest that the opening of the retail sector to FDI may stimulate productivity growth and improve allocation efficiency in manufacturing industries and thus provide another piece of evidence in favor of services liberalization.

2013, **Keilman, Nico** and Lisa Dahl Keller; "Hvor robust er det nye pensjonssystemet med hensyn til levealdersutviklingen?", *Samfunnsøkonomen* 2013 (09)

2013, **Knutsen, Carl Henrik**; "Democracy, State Capacity and Economic Growth", *World Development*, 2013, 43: 1-18

Abstract:

This paper discusses how regime type and state capacity may interact in affecting economic growth. The empirical analysis finds a positive and robust effect of democracy on growth in Sub-Saharan Africa, a continent historically characterized by weak-capacity states. Furthermore, the paper identifies a robust interaction effect between democracy and state capacity on growth, both in Africa and globally; the effect of democracy on growth increases when state capacity is reduced. Democracy is estimated to have a positive effect on growth in weak-capacity states, but not in high-capacity states. Additionally, the results indicate that state capacity enhances growth only in dictatorships.

2013 Kodzi, I. and **Ø. Kravdal**; "What has high fertility got to do with the low birth weight problem in Africa?" *Demographic Research* 28: 713-732.

Abstract:

Background: There has been much concern about adverse individual and societal consequences of high fertility in sub-Saharan Africa. One concern is that children of high birth orders may have low birth weight. However, the evidence for such an effect is not strong.

Objective: Our objective is to investigate whether a woman's high parity status might increase her risks of having a baby with low birth weight.

Methods: Pooling 60 Demographic and Health Surveys data-sets from 32 sub-Saharan countries, we selected children of mothers who had at least two births of order two or higher within the five years preceding the surveys. We modeled the probability of having a child with low birth weight and controlled for all mother-specific, household, or community characteristics that are constant over the period of analysis, by including fixed-effects for the mother. We also controlled for salient factors including sex, maternal age, preceding birth interval, and whether prenatal care was received.

Results: We found no adverse effect of increasing parity on the odds of having a child with low birth weight at normative ranges; such effects only manifest at extremely high parities - nine or more children. At moderately high parities, the chance of low birth weight is actually lower than at very low parities.

Conclusions: While high fertility may lead to various adverse outcomes for African families, low birth weight appears not to be among these outcomes. Other factors, such as adolescent childbearing, poverty, and inadequate prenatal care may be more important determinants of low birth weight in Africa.

2013, Kodzi, I. with **Ø. Kravdal** and W. Sigle-Rushton; "Effects of the Number and Age of Siblings on Educational Transitions in Sub-Saharan Africa". *Studies in Family Planning* 44: 275-297.

Abstract:

Studies examining the link between number of siblings and level of education attained by children in Africa have produced mixed results. This study draws on Demographic and Health Survey data from 26 sub-Saharan African countries and employs a multilevel multiprocess model that controls for time-invariant unobserved mother-level characteristics. We find indications that having younger siblings increases the likelihood of entering primary school; however, once a child is enrolled, having pre-school aged siblings is negatively associated with educational progression. Having a greater number of siblings older than age 15 increases the likelihood of primary-school entry and completion but has no effect on subsequent educational transitions. Some positive effects of having a greater number of siblings who are aged 6-15 are also observed. Girls are more adversely affected by having young siblings than are boys, but they benefit more than do boys from having siblings who are older than age 15. On the whole, the effects are not very strong, however.

2013, **Kravdal, Øystein**; "The poorer cancer survival among the non-married in Norway: Is much explained by comorbidities?" *Social Science and Medicine* 81: 42-52.

Abstract:

Studies from Norway and other countries have shown that the unmarried have poorer cancer survival than the married, given age, tumor site and stage at diagnosis. The objective of this investigation was to assess the importance of comorbidities for this difference, using disease indicators derived from the Norwegian Prescription Database (NorPD) and information on cancer and sociodemographic

characteristics from various other registers, all of which cover the entire Norwegian population. Discrete-time hazard models for cancer mortality up to 2007 were estimated for all 22,925 men and 21,694 women diagnosed with 13 common types of cancer in 2005-7. There were 4898 cancer deaths among men and 4187 among women. Controlling for sociodemographic factors and tumor characteristics, the odds of dying from cancer among never-married men relative to the married was 1.56 (CI 1.41-1.74). The corresponding estimates for widowed and divorced were 1.16 (CI 1.05-1.28) and 1.27 (CI 1.15-1.40). For women, the odds ratios for these three groups were 1.47 (CI 1.29-1.67), 1.10 (CI 1.01-1.20) and 1.14 (CI 1.02-1.27). Several of the 24 indicators of diseases in the year before diagnosis were associated with cancer survival, but their inclusion reduced the excess mortality of the unmarried by only 1-5 percentage points, or about 10% as an overall relative figure. Similar results were found when the four most common cancers were analyzed separately, though there were some differences between them in the role played by the comorbidities. It is possible that important comorbidities are inadequately captured by the included indicators, and perhaps especially for the unmarried. Such concerns aside, the results suggest that the marital status differences in cancer survival to little extent are due to comorbidities (and the few disease risk factors that are also captured), but rather to various other "host factors" or to treatment or care.

2013, **Kundu, Tapas** with M. Simon, B. Gunia, E. Martin, C. Foucar, D. Ragas, L. Emanuel; "Path Toward Economic Resilience for Family Caregivers: Mitigating Household Deprivation and the Health Care Talent Shortage at the Same Time" *The gerontologist* vol. 53 (5), 861-873

Abstract:

Rising costs and a workforce talent shortage are two of the health care industry's most pressing challenges. In particular, serious illnesses often impose significant costs on individuals and their families, which can place families at an increased risk for multigenerational economic deprivation or even an illness-poverty trap. At the same time, family caregivers often acquire a wide variety of health care skills that neither these caregivers nor the health care industry typically use. As these skills are marketable and could be paired with many existing medical certifications, this article describes a possible "path toward economic resilience" (PER) through a program whereby family caregivers could find meaningful employment using their new skills. The proposed program would identify ideal program candidates, assess and supplement their competencies, and connect them to the health care industry. We provide a set of practical steps and recommended tools for implementation, discuss pilot data on the program's appeal and feasibility, and raise several considerations for program development and future research. Our analysis suggests that this PER program could appeal to family caregivers and the health care industry alike, possibly helping to address two of our health care system's most pressing challenges with one solution.

2013, **Leuven, Edwin** with Hessel Oosterbeek and Inge de Wolf; "The effects of medical school on health outcomes: Evidence from admission lotteries" *Journal of Health Economics* vol. 32. 698-707

Abstract:

This paper estimates the effects of attending medical school on health outcomes by exploiting that admission to medical school in the Netherlands is determined by a lottery. Among the applicants for medical school, people who attended medical school have on average 1.5 more years of completed education than people who did not. They are also more likely to have been exposed to a health-related education curriculum. The results show only modest impacts on health outcomes. Attending medical school reduces alcohol consumption and being underweight somewhat, and has a small positive impact on self-reported health status. It has, however, a small negative effect on the frequency of physical

exercise and no significant impact on smoking, and being overweight or obese. Attending medical school does have a large positive impact on the probability of being registered for donations of organs.

2013, **Markussen, Simen** with Elisabeth Fevang and **Knut Røed**; “Sykepengefellen” *Samfunnsøkonomen*, No. 9, 19-20.

2013 **Markussen, Simen** with **Knut Røed** and Ole Røgeberg; “The Changing of the Guards - Can Family Doctors Contain Worker Absenteeism?” *Journal of Health Economics*, Vol. 32 (2013), No. 6, 1230–1239

Abstract

Using administrative data from Norway, we examine the extent to which family doctors influence their clients’ propensity to claim sick-pay. The analysis exploits exogenous switches of family doctors occurring when physicians quit, retire, or for other reasons sell their patient lists. We find that family doctors have significant influence on their clients’ absence behavior, particularly on absence duration. Their influence is stronger in geographical areas with weaker competition between physicians. We conclude that it is possible for family doctors to contain sick-pay expenditures to some extent, and that there is a considerable variation in the way they perform this task.

2013 **Mideksa, Torben**; “The economic impact of natural resources” *Journal of Environmental Economics and Management*, vol. 65 (2), 277- 289

Abstract

This paper explores the economic impact of natural resource endowment using quantitative comparative – case – study. Focusing on the Norwegian economy, due to availability of good quality data, the paper thoroughly examines the impact of petroleum endowment. Although the result suggests that the impact varies from year to year, it remains positive and very large. On average, about 20% of the annual GDP per capita increase is due to the endowment of petroleum resources such as oil, natural gas, natural gas liquids, and condensate. Examinations based on sensitivity test, robustness test, dose-response test, and various falsification tests suggest that the finding is robust to alternative explanations.

2013, Munga, Michael with Ottar Mæstad and **Gaute Torsvik**; "Using incentives to attract nurses to remote areas of Tanzania: a contingent valuation study", *Health Policy and Planning*, March 2013.

Abstract

This article analyses (1) how financial incentives (salary top-ups) and non-financial incentives (housing and education) affect nurses' willingness to work in remote areas of Tanzania and (2) how the magnitude of the incentives needed to attract health workers varies with the nurses' geographic origin and their intrinsic motivation. A contingent valuation method was used to elicit the location preferences of 362 nursing students. Without any interventions, 19% of the nurses were willing to work in remote places. With the provision of free housing, this share increased by 15 percentage points. Better education opportunities increased the share by 28 percentage points from the baseline. For a salary top-up to have the same effect as provision of free housing, the top-up needs to be between 80 and 100% of the base salary. Similarly, for salary top-ups to have the same effect as provision of better education opportunities, the top-up should be between 120 and 140%. Our study confirms results from previous research, that those with a strong intrinsic motivation to provide health care are more motivated to work in a remote location. A more surprising finding is that students of older age are more prepared to take a

job in remote areas. Several studies have found that individuals who grew up in a remote area are more willing to work in such locations. A novel finding of our analysis is that only nursing students with a 'very' remote origin (i.e. those who grew up farther from a district centre than the suggested remote working place) express a higher willingness to take the remote job. Although we do control for nursing school effects, our results could be biased due to omitted variables capturing individual characteristics.

2013, **Moen, Espen R.**; "Utsatt lønn: Bra for motivasjonen, ikke for produktiviteten", *Samfunnsøkonomen* nr 8 2013 s 64-67

2013, **Moen, Espen R.**; "Hvorfor faller ikke lønningene mer i nedgangstider?" *Samfunnsøkonomen* nr 9 2011 30-31.

2013, **Moen, Espen R.** and Åsa Rosen; "On-the-job Search and Moral Hazard", *Journal of the European Economic Association* (2013), vol 11, no 6

Abstract

We analyze the interaction between intertemporal incentive contracts and search frictions associated with on-the-job search. In our model, agency problems call for wage contracts with deferred compensation. At the same time workers do on-the-job search. Deferred compensation improves workers' incentives to exert effort but distorts their on-the-job search decisions. We show that deferred compensation is less attractive when the value to the worker–firm pair of on-the-job search is high. Moreover, the interplay between search frictions and wage contracts creates feedback effects. If firms in equilibrium use contracts with deferred compensation, fewer firms with vacancies enter the on-the-job search market, and this in turn reduces the distortions created by deferred compensation. These feedback effects between the incentive contracts used and the activity level in the search markets can lead to multiple equilibria: a low-turnover equilibrium where firms use deferred compensation, and a high-turnover equilibrium where they do not. Furthermore, the model predicts that firms are more likely to use deferred compensation when search frictions are high and when the gains from on-the-job search are small.

2013, **Moene, Kalle**; "Ulikhetens og likhetens likevekt," in *Tidsskrift for velferdsforskning*, Vol 16, nr. 2, 2013.

2013, **Moene, Kalle**; "Økonomisk teori og metode etter murens fall", *Samfunnsøkonomen* 2013 (1)

2013, **Nyborg, Karine** with Tao Zhang; "Is corporate social responsibility associated with lower wages?", *Environmental and Resource Economics* vol. 55 (1), 107-117

Abstract

Firms with a reputation as socially responsible may have an important cost advantage: If workers prefer their employer to be socially responsible, equilibrium wages may be lower in such firms. We explore this hypothesis, combining Norwegian register data with data on firm reputation collected by an employer branding firm. Adjusting for a large set of background variables, we find that the firm's social responsibility reputation is significantly associated with lower wages.

2013, **Rege, Mari** with Venke Furre Haaland and Kjetil Telle; "Kvinner og arbeid", *Samfunnsøkonomen* no. 9

2013, **Rege, Mari** with Nina Eirin Drange; “Trapped at home: The effect of mother’s temporary labor market exits on their subsequent work career”, *Labour Economics*, 125-136

Abstract

This paper investigates how mothers’ decision to stay at home with young children affects their subsequent work careers. Identification is based on the introduction of the Cash-for-Care program in Norway in 1998, which increased mothers’ incentives to withdraw from the labor market when their child was one and two years old. Our estimates demonstrate that the program had effects on earnings and full-time employment even when the child was no longer eligible for Cash-for-Care at ages four and five. However, from age six, we can no longer see any effects. The effects seem to dissipate because most mothers remained attached to the labor force through part-time employment.

2013, **Rege, Mari** with Ingebord Foldøy Solli; “The impact of paternity leave on long term father earnings”, *Demography*

Abstract

Using Norwegian registry data we investigate how paternity leave affects fathers’ long-term earnings. In 1993 Norway introduced a paternity quota of the paid parental leave. We estimate a difference-in-differences model which exploits differences in fathers’ exposure to the paternity quota. Our analysis suggests that four weeks paternity leave during the child’s first year decreases fathers’ future earnings by 2.1 percent. Importantly, this effect persists up until our last point of observation when the child is five years old. The earnings effect is consistent with increased long-term father involvement, as fathers shift time and effort from market to home production. In an investigation of Norwegian time use data we find additional evidence for this hypothesis.

2013, Rohner, Dominic with Mathias Thoenig and **Fabrizio Zilibotti**; “Seeds of Distrust: Conflict in Uganda.” *Journal of Economic Growth*, 18 (3), 217-252, 2013.

Abstract

We study the effect of civil conflict on social capital, focusing on the experience of Uganda during the last decade. Using individual and county-level data, we document causal effects on trust and ethnic identity of an exogenous outburst of ethnic conflicts in 2002-04. We exploit two waves of survey data from Afrobarometer 2000 and 2008, including information on socioeconomic characteristics at the individual level, and geo-referenced measures of fighting events from ACLED. Our identification strategy exploits variations in the intensity of fighting both in the spatial and cross-ethnic dimensions. We find that more intense fighting decreases generalized trust and increases ethnic identity. The effects are quantitatively large and robust to a number of control variables, alternative measures of violence, and different statistical techniques involving ethnic and county fixed effects and instrumental variables. We also document that the post-war effects of ethnic violence depend on the ethnic fractionalization. Fighting has a negative effect on the economic situation in highly fractionalized counties, but has no effect in less fractionalized counties. Our findings are consistent with the existence of a self-reinforcing process between conflicts and ethnic cleavages.

2013, Rohner, Dominic with Mathias Thoenig and **Fabrizio Zilibotti**; “War Signals: A Theory of Trade, Trust and Conflict”, *Review of Economic Studies*, 80 (3), 1114-1147, 2013

Abstract

We construct a dynamic theory of civil conflict between two groups hinging on cross-community beliefs

(trust) and economic relationships (trade). Trade necessitates imperfectly observed bilateral investments and one group has to form beliefs on the average propensity to trade of the other group. Since conflict disrupts trade, the onset of a conflict signals that the aggressor has a low propensity to trade. Agents observe the history of conflicts and update their beliefs over time, and transmit them to the next generation. The theory bears some testable predictions. First, along the equilibrium path, war is a stochastic process whose frequency depends on the state of endogenous beliefs. Second, the probability of future conflicts increases after each conflict episode. Third, a sequence of "accidental" conflicts can lead to the permanent breakdown of trust, plunging a society into a state of recurrent conflicts (a war trap). Fourth, the incidence of conflict can be reduced by policies abating cultural barriers, fostering human capital and targeting beliefs. Coercitive peace policies such as peacekeeping forces or externally imposed regime changes have instead no persistent effects.

2013, **Storesletten, Kjetil**; "Politisk-økonomisk teori om offentlig gjeld", *Samfunnsøkonomen* 127(5), 2013, pages 51-52.

2013, **Tungodden, Bertil** and Peter Vallentyne; "Liberal Resourcism: Problems and Possibilities", *Journal of social philosophy* 2013 ;Volum 44.(4) s. 348-369

Abstract

We explore a problem faced by resourcist theories of wellbeing (e.g., objective list theories) and by resourcist theories of advantage (e.g., the primary goods approach) for distributive justice. Resourcist theories of each kind impose a standard interpersonal resource dominance condition: more of some relevant resources, and less of none, is always better. That condition, however, generates problems when combined with the weak requirement that the wellbeing, or advantage, generated by a resource bundle can vary between individuals. We explore the significance of this problem and some ways to avoid it. Although we do not focus exclusively on egalitarian theories of justice, our discussion has immediate implications for the "equality of what" debate.

2013, **Ulltveit-Moe, Karen Helene** et. al.; "Global health 2035: a world converging within a generation", *The Lancet*; Volum 382.(9908), pages 1898-1955

Abstract

Prompted by the 20th anniversary of the 1993 World Development Report, a Lancet Commission revisited the case for investment in health and developed a new investment framework to achieve dramatic health gains by 2035. Our report has four key messages, each accompanied by opportunities for action by national governments of low-income and middle-income countries and by the international community.

Books or chapters in books forthcoming 2014

Asheim, Geir B.: "Equitable intergenerational preferences and sustainability", Forthcoming in *Handbook of Sustainable Development*, G. Atkinson, S. Dietz, E. Neumayer and M. Agarwala, (Eds), 2nd ed., Edward Elgar, 2014.

Gates, Scott and Roy Kaushik; "Unconventional Warfare in South Asia. Shadow Warriors

and Counterinsurgency", Farnham, UK: Ashgate.

Gates, Scott with Marianne Dahl, Håvard Mogleiv Nygård, and Kaushik Roy; "Continuity and Change in Continuity and Change in Asymmetric Warfare in Afghanistan: From the Mughals to the Americans", in *War and Statebuilding in Modern Afghanistan*, co-edited with Kaushik Roy. London: Bloomsbury Press.

Hoel, Michael and de Zeeuw, A., "Technology Agreements with Heterogeneous Countries", in *Toward a New Climate Agreement: Conflict, Resolution and Governance*, Todd L. Cherry, Jon Hovi and David McEvoy (editors): Routledge

Knutsen, Carl Henrik; "Measuring democracy", Forthcoming in *Encyclopedia of Quality of Life Research*. Ed. Alex C. Michalos. Heidelberg: Springer

Storesletten, Kjetil with **Fabrizio Zilibotti**; "China's Great Convergence and Beyond," forthcoming in *Annual Review of Economics*, 2014

Books or chapters in books 2013

2013, Awa, Angelique and **Carl Henrik Knutsen**; "Landprofil: Kongo–Kinshasa" [Country profile: Congo-Kinshasa] in Sigrun Johnstad [Ed.] *Afrikas 99% – økonomisk vekst, ulikhet og protest*. Oslo: Fellesrådet for Afrika.

2013, Bjørnenak, Trond with **Nils-Henrik M. von der Fehr**, **Espen R. Moen** and **Christian Riis**; "Plan eller marked? Om reguleringsregimet for markedet for videreforedling av melk", Oslo: Hovedorganisasjonen Virke 2013 (ISBN 978-82-7770-060-1)

2013, **Cools, Sara**; "Having it all. How children affect work and wages of men and women", Dissertation for the PhD degree, Department of Economics, University of Oslo

2013, Fevang, Elisabeth with **Simen Markussen** and **Knut Røed**; "Til, fra og mellom inntektssikringsordninger - før og etter NAV" *Rapport 1/2013*. Stiftelsen Frischsenteret for samfunnsøkonomisk forskning.

2013, **von der Fehr, Nils-Henrik M.**; "Vertikale relasjoner", In *Dagligvarehandel og mat 2013*. Norsk institutt for landbruksøkonomisk forskning 2013, s. 116-134

2013 Gancia, Gino with Andreas Mueller and **Fabrizio Zilibotti**; "Structural Development Accounting." In *Advances in Economics and Econometrics: Theory and Applications* (Tenth World Congress of the Econometric Society), D. Acemoglu, M. Arellano and E. Dekel (eds.), Cambridge University Press, August 2013.

2013, **Greaker, Mads**; “Strategic Environmental Policy”, in Shogren J. F., (ed), *Encyclopedia of Energy, Natural Resource and Environmental Economics*, Amsterdam Elsevier , Vol 3, p. 313-320,

2013, **Harstad, Bård** with Matti Liski; “Games and Resources”, in Shogren J. F., (ed), *Encyclopedia of Energy, Natural Resource, and Environmental Economics*, Amsterdam, Elsevier, p. 1056

2013, **Krüger, Ingrid**; "What's Oil Got to Do With It? Essays on the Political Economy of Resource Rich Countries" PhD degree, The Department of Economics, University of Oslo

2013, **Markussen, Simen** and **Knut Røed**; “Mot en mer evidensbasert arbeids- og velferdspolitik?” In *Arbeidsdepartementet 100 år*. Hege Forbord (Red.): pages. 225-250.

2013, **Mehlum, Halvor** ”Samfunnsøkonomiens plass i jussen”, In *Det juridiske fakultet gjennom 200 år*. Kontinuitet og fornyelse. Akademisk Publisering 2013. s. 87-104

2013, **Moene, Kalle**; «Velferdsstatens bærende krefter» In *Arbeidsdepartementet 100 år*. Hege Forbord (Red.): pages. 195-224

2013, **Moene, Kalle**; "Scandinavian Equality: A Prime Example of Protection Without Protectionism" In *The Quest for Security: Protection Without Protectionism and the Challenge of Global Governance*, Joseph E. Stiglitz and Mary Kaldor , Columbia University Press, New York, 2013.

2013, **Moene, Kalle**; ”Mekaniseringens tyranni,” In *Civilsamhället klämt mellan stat och kapital*, L. Trädgårdh, P. Selle, L. S. Henriksen and H. Hallin (red.) , SNS Förlag, Stockholm, 2013.

2013, **Nyborg, Karine**; “To stemmer. Når hodet og hjertet er uenige, kan det være noe en av dem ikke har skjønt”, Stemmer 09, Aschehoug, Oslo

2013, **Ulltveit-Moe, Karen Helene**; “Comment on The Geography of the Great Recession”, In *NBER International Seminar on Macroeconomics 2012*”, University of Chicago Press, Ch. 7, pages. 332-335 (2013)

2013, **Salvanes, Kari**; “Economic Conditions and Family Policy: Child and Family Outcomes” Phd-thesis, University of Oslo

Working papers 2013

Aaberge, Rolf and **Tarjei Havnes** and **Magne Mogstad** (2013): "A Theory for Ranking Distribution Functions", *Discussion Paper No. 763*, Statistics Norway

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Almås, Ingvild with **Anders Grøn Kjelsrud** and Rohini Somanathan (2013) "A Behaviour-based Approach to the Estimation of Poverty in India", *Discussion papers 2013*, Volum 2, NHH Dept. of Economics

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Cappelen, Alexander Wright with Bjørn-Atle Reme, **Erik Øiolf Sørensen** and **Bertil Tungodden** (2013) "Leadership and incentives", Discussion Papers 2/2014, NHH Dept. of Economics

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Modalsli, Jørgen H. with **Rolf Aaberge** and Tony Atkinson (2013) “The ins and outs of top income mobility” *Statistics Norway Discussion Paper* 762, 2013

Moen, Espen R. with Tito Boeri and Pietro Garibaldi (2013): “The Economics of Severance Pay”, *IZA Discussion Papers* 7455 (2013).

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Torsvik, Gaute with A Molander (2013): "Getting People into Work: What (if Anything) Can Justify Mandatory Activation of Welfare Recipients?" *CESifo Working Paper No. 4317*, June 2013

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Ragnar Torvik with Lars-Erik Borge and Pernille Parmer (2013): "Local natural resource curse?" *Working Paper 11/2013*, Department of Economics, NTNU.

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Zilibotti, Fabrizio with Simon Alder and Lin Shao (2013); “Economic Reforms and Industrial Policy in a Panel of Chinese Cities”, *CEPR Discussion Paper No. 9748*, 2013.

Østenstad, Gry (2013); “The Political Economy of Migration Policies in Oil-Rich Gulf Countries” *Memo 18/2013*, University of Oslo

Work in progress 2013

Bratsberg, Bernt, Oddbjørn Raaum, and Knut Røed (2013): “Immigrants, Labor Market Performance, and Social Insurance,” November 2013. Submitted for publication.

Bøler, Esther Ann Nisja, with **Beata Javorcik** and **Karen Helene Ulltveit-Moe** (2013): “Globalization – A woman’s best friend?”

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Cools, Sara with **Simen Markussen** and **Marte Strøm** (2013): “Family size and health”

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Vandewalle, Lore and Paolo Casini (2013): "Public Good Provision in Indian Rural Areas: the Returns to Collective Action by Microfinance Groups".

Vandewalle, Lore and Jean-Marie Baland (2013): "Socially Disadvantaged Groups and Microfinance in India"

Master theses 2013

Thom Åbyholm (2013): "Bringing the Fun(d) to reform : A model of economic reform and the workings of IMF conditionality".

Martin Eckhoff Andresen (2013): "Women and Children First? Labor market effects of universal child care for toddlers".

Shingie Chisoro (2013): "Political Institutions and the Discovery of Diamonds in Zimbabwe".

Eivind Hammersmark Olsen (2013): "Expropriation Risk and Natural Resource Extraction: A Matter of Capital Intensity".

Kristin Rasdal (2013): "Norwegian Couples and the Take-Up of Pension Benefits".

Mirjam Ruth Unger (2013): "Effects of Informal Parental Care on Labor Force Participation in the Nordic Countries".

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Recipients of the Gender & Economics Scholarship 2013

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ACCOUNTS AND REVISED BUDGET

| Funding In NOK 1000 | Accounts 2007-2012 | Accounts 2013 | Budget 2014 | Budget 2015 | Budget 2016 | Budget 2017 | Total |
|-------------------------------|-------------------------------------|--------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|----------------|
| Own funding (UiO) | 48 336 | 13 871 | 13 289 | 12 692 | 12 541 | 3 322 | 104 051 |
| RCN – CoE funding | 50 938 | 11 530 | 11 395 | 11 459 | 11 347 | | 96 669 |
| International funding | 1 648 | 5 738 | 536 | 6000 | | 6000 | 19 922 |
| Other public | 1 867 | 1 579 | 4 911 | 7 100 | 6 418 | 4 396 | 26 271 |
| Other private | | 10 | | | | | 10 |
| Total funding | 102 789 | 32 728 | 30 131 | 37 251 | 30 306 | 13 718 | 246 923 |

| Expenditures In NOK 1000 | Accounts 2007-2012 | Accounts 2013 | Accounts 2014 | Accounts 2015 | Accounts 2016 | Budget 2017 | Total |
|---------------------------------------|-------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------|------------------|
| Personnel, housing | 89 820 | 23 811 | 27 810 | 27 580 | 25 709 | 8 113 | 202 843 |
| <i>(Salaries and personnel costs)</i> | <i>(73 755)</i> | <i>(17 547)</i> | <i>(20 832)</i> | <i>(20 718)</i> | <i>(19 380)</i> | <i>(6 402)</i> | <i>(158 634)</i> |
| <i>(Premises, overhead)</i> | <i>(16 065)</i> | <i>(6 264)</i> | <i>(6977)</i> | <i>(6 863)</i> | <i>(6 329)</i> | <i>(1 710)</i> | <i>(44 208)</i> |
| Purchase of R&D services | 4 062 | 568 | 3 862 | 5 370 | 4 661 | 2 683 | 21 206 |
| Equipment | 854 | 218 | 200 | 200 | 200 | 0 | 1 672 |
| Other running costs | 7 736 | 969 | 1 666 | 1 467 | 1 666 | 540 | 14 043 |
| Total costs | 102 472 | 25 566 | 33 538 | 34 617 | 32 236 | 11 335 | 239 764 |

Comments to the account and budget

ESOP has a healthy economy, and we are able to finance all our research activity. Most of the funding we get from UiO's own funding and the RCNs CoE funding, but we are also expanding our activities through other national and international projects. The accounts from 2013 show a profit of 7,162 million NOK. This is mainly due to the pre-funding of Kjetil Store Sletten's ERC (Advanced Grant) project *Macroinequality* meant to finance the project in the years to come.

The long term budget shows a profit of about 8 million at the end of 2017. The reason for this is mainly that some of the larger projects under ESOP's control, does not end in 2017, but are pre-financed in 2017 or earlier. The income from these projects is shown in the long term budget, but all the expenditures are not.

For the years 2007-2009 the funding from UiO (own funding) where not a part of the accounting. In the table above 16,402 million NOK from these years are not a part of the official accounting, but it is reported to the Research Council as "funding not shown in the Centre's accounting". Therefor we have included this funding expenditures in the table above. From 2010 UiO changed the system and included all own funding into ESOP's accounting.

RESOURCES – PERSONNEL 2013

Scientific positions

| Professors, Ass. professors, researchers, ass | | | People: 55 | | Man-year: 10,7 | |
|---|-----|-----------------------|-----------------|-------------------|-------------------------|-----------------------------|
| Name | Sex | Country of employment | Academic degree | Employment | Place of work/ employer | Months worked at the centre |
| <i>Almås, Ingvild</i> | F | Norway | Researcher | 01.02.09-31.01.16 | ESOP/NHH | 2,4 |
| <i>Asheim, Geir</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Aaberge, Rolf</i> | M | Norway | Adj. Prof. | 01.01.12-31.12.16 | SSB/ESOP | 2,4 |
| <i>Barth, Erling</i> | M | Norway | Adj.Prof. | 01.08.08-31.12.16 | ISF/ESOP | 4,8 |
| <i>Bratsberg, Bernt</i> | M | Norway | Adj.Prof. | 01.09.07-31.12.16 | Frisch/ESOP | 1,2 |
| <i>Brinch, Christian N.</i> | M | Norway | Researcher | 01.01.10-31.12.16 | SSB/ESOP | 1,2 |
| <i>Brekke, Kjell Arne</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Cappelen, Alexander</i> | M | Norway | Professor | 01.01.07- | NHH/ESOP | 1,2 |
| <i>Cools, Sara</i> | F | Norway | Researcher | 01.03.13-31.12.16 | BI/ESOP | 1 |
| <i>Christiansen, Vidar</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Fernandez, Raquel</i> | F | USA | Professor | 01.09.07-31.12.16 | NYU/ESOP | 2,4 |
| <i>Ferrara, Eilana la</i> | F | Italy | Adj.Prof. | 01.04.12-31.03.15 | BOCCONI/ESOP | 2,4 |
| <i>Finseraas, Henning</i> | M | Norway | Researcher | 01.01.13-31.12.16 | ISF/ESOP | 1,2 |
| <i>Fiva, Jon Hernes</i> | M | Norway | Researcher | 01.08.12-31.12.16 | BI/ESOP | 2,4 |
| <i>Greaker, Mads</i> | M | Norway | Researcher | 01.01.13-31.12.16 | SSB/ESOP | 0,6 |
| <i>Haan, Monique de</i> | F | Norway | Førsteaman. | 13.08.12- | ESOP/ØI | 2,4 |
| <i>Harstad, Bård</i> | M | USA | Adj.Prof. | 01.01.10-31.12.11 | NWUni/ESOP | 3 |
| <i>Havnes, Tarjei</i> | M | Norway | Førsteaman. | 01.08.12- | ESOP/ØI | 2,4 |
| <i>Hoel, Michael</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Holden, Steinar</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Høyland, Bjørn</i> | M | Norway | Professor | 01.01.07- | ESOP/ISV | 2,4 |
| <i>Javorcik, Beata S.</i> | F | UK | Adj.Prof. | 01.04.12-31.03.15 | UoOxf./ØI | 2,4 |
| <i>Keilman, Nico</i> | M | Norway | Professor | 01.08.10- | ESOP/ØI | 1 |
| <i>Knutson, Carl Henrik</i> | M | Norway | Researcher | 22.10.07- | ESOP/ISV | 2,4 |
| <i>Krøvdal, Øystein</i> | M | Norway | Professor | 01.01.10- | ESOP/ØI | 1,2 |
| <i>Lind, Jo Thori</i> | M | Norway | Ass. Prof. | 01.09.09- | ESOP | 12 |
| <i>Markussen, Simen</i> | M | Norway | Researcher | 15.03.06- | Frisch/ESOP | 1,2 |
| <i>Mehlum, Halvor</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 9 |
| <i>Modalsli, Jørgen H.</i> | M | Norway | Researcher | 27.02.12-31.12.16 | SSB/ESOP | 0,6 |
| <i>Moen, Espen</i> | M | Norway | Adj.Prof. | 01.09.07-31.12.12 | BI/ESOP | 1,2 |
| <i>Moene, Karl-Ove</i> | M | Norway | Professor | 01.01.07- | ESOP | 12 |
| <i>Mogstad, Magne</i> | M | Norway | Researcher | 01.04.09-31.12.12 | UCL/ESOP | 2,4 |
| <i>Nenov, Plamen</i> | M | Norway | Researcher | 01.01.13-31.12.16 | BI/ESOP | 0,6 |
| <i>Nilssen, Tore</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Nyborg, Karine</i> | F | Norway | Ass.Prof. | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Ognedal, Tone</i> | F | Norway | Ass.Prof. | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Raaum, Oddbjørn</i> | M | Norway | Adj.Prof. | 01.09.07-31.12.12 | Frisch/ESOP | 1,2 |
| <i>Ray, Debraj</i> | M | USA | Aff. Res. | 01.01.07-31.12.16 | NYU/ESOP | 1,2 |
| <i>Rege, Mari</i> | F | Norway | Adj.Prof. | 01.01.09-31.12.16 | UiS/ESOP | 1,2 |
| <i>Reiersen, Jon</i> | M | Norway | Aff.Res. | 01.01.12-31.12.16 | HiV/ESOP | 1,2 |
| <i>Riis, Christian</i> | M | Norway | Adj.Prof. | 01.03.10-31.12.11 | BI/ESOP | 1 |
| <i>Rosén, Åsa</i> | F | Sweden | Researcher | 01.08.08-31.12.16 | SOFI/ESOP | 0,6 |
| <i>Rødseth, Asbjørn</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Rød, Knut</i> | M | Norway | Adj.Prof. | 01.09.07-31.12.12 | Frisch/ESOP | 1,2 |

| | | | | | | |
|-----------------------------|---|-------------|------------|-------------------|-----------|-----|
| <i>Salvenes, Kjell G.</i> | M | Norway | Aff.Res. | 01.01.07-31.12.16 | NHH/ESOP | 0,6 |
| <i>Schøne, Pål</i> | M | Norway | Aff.Res. | 01.01.11-31.12.16 | ISF/ESOP | 0,6 |
| <i>Storesletten, Kjetil</i> | M | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Sørensen, Erik</i> | M | Norway | Researcher | 01.02.09-31.01.12 | NHH/ESOP | 2,4 |
| <i>Torvik, Ragnar</i> | M | Norway | Professor | 01.01.07- | NTNU/ESOP | 1,2 |
| <i>Torsvik, Gaute</i> | M | Norway | Professor | 01.01.07- | UiB/ESOP | 1,2 |
| <i>Tungodden, Bertil</i> | M | Norway | Professor | 01.01.07- | NHH/ESOP | 1,2 |
| <i>Ulltveit-Moe, K. H.</i> | F | Norway | Professor | 01.01.07- | ESOP/ØI | 2,4 |
| <i>Vandewalle, Lore</i> | F | Switzerland | Researcher | 01.01.13-31.12.16 | ESOP | 1,2 |

Research fellows

| Research fellows | | | People: 20 | | Man-year: 14,7 | |
|---------------------------------|-----|-----------------------|-----------------|-------------------|-------------------------|-----------------------------|
| Name | Sex | Country of employment | Academic degree | Employment | Place of work/ employer | Months worked at the centre |
| <i>Alpino, Matteo</i> | M | Italy | MSc Econ | 15.08.13-14.06.16 | ESOP/ØI | 4,5 |
| <i>Andresen, Nils August</i> | M | Norway | Ma. of Arts | 05.10.09-07.01.14 | ESOP/ØI | 9 |
| <i>Andresen, Martin E.</i> | M | Norway | Ma. of Econ | 15.08.13-14.08.16 | ESOP/ØI | 4,5 |
| <i>Bøler, Esther Ann N.</i> | F | Norway | M.Phil. Econ | 15.08.11-14.08.14 | ESOP/ØI | 12 |
| <i>Christiansen, Solveig</i> | K | Norway | Ma. in Econ | 01.08.10-16.03.14 | ESOP/ØI | 4 |
| <i>Dapi, Bjorn</i> | M | Norway | Ma. in Econ | 03.08.09-05.06.14 | ESOP/ØI | 12 |
| <i>Eika, Lasse</i> | M | Norway | Ma. in Econ | 01.08.10-31.12.13 | ESOP/ØI | 12 |
| <i>Flatø, Martin</i> | M | Norway | M.Phil. Econ | 15.08.12-14.08.15 | ESOP/ØI | 9 |
| <i>Godøy, Anna Aasen</i> | F | Norway | Ma. in Econ | 01.01.10-31.12.13 | ESOP/Frisch | 9 |
| <i>Hasle, Askill Harkjerr</i> | M | Norway | Ma. in Econ | 15.08.12-14.08.15 | ESOP/ØI | 9,6 |
| <i>Holtmark, Katinka K.</i> | F | Norway | Ma. in Econ | 01.08.11-14.08.14 | ESOP/ØI | 12 |
| <i>Kjelsrud, Anders G.</i> | M | Norway | M.Phil. Econ | 15.08.11-14.08.14 | ESOP/ØI | 12 |
| <i>Kløve, Eva</i> | F | Norway | Cand.polit. | 01.12.07-31.12.13 | ESOP/ØI | 7 |
| <i>Mideksa, Torben</i> | M | USA | MPA int.dev. | 15.08.12-14.08.15 | ESOP/ØI | 12 |
| <i>Olsen, Eivind H.</i> | M | Norway | M.Phil. Econ | 15.08.13-14.08.16 | ESOP/ØI | 4,5 |
| <i>Salvenes, Kari V.</i> | F | Norway | Ma in Econ | 01.08.10-31.01.13 | ESOP/ØI | 7 |
| <i>Sandsør, Astrid M. J.</i> | F | Norway | M.Phil. Econ | 01.08.10-31.01.15 | ESOP/ØI | 9 |
| <i>Skjelbred, Siv-Elisabeth</i> | F | Norway | Ma. Business | 15.08.12-14.08.16 | ESOP/ØI | 12 |
| <i>Solberg-Johansen, K.</i> | F | Norway | M.Phil Econ | 02.07.10-13.08.15 | ESOP/ØI | 3 |
| <i>Østenstad, Gry T.</i> | F | Norway | M.Phil. Econ | 01.08.10-31.07.13 | ESOP/ØI | 5 |

Postdoctoral fellows

| Post doctoral fellows | | | People: 4 | | Man-year: 1,9 | |
|-----------------------------|-----|-----------------------|-----------------|-------------------|-------------------------|-----------------------------|
| Name | Sex | Country of employment | Academic degree | Employment | Place of work/ employer | Months worked at the centre |
| <i>Kotsadam, Andreas</i> | M | Norway | PhD | 01.09.11-31.08.15 | ESOP/ØI | 12 |
| <i>Mitra, Anirban</i> | M | Norway | PhD | 13.08.12-12.08.16 | ESOP | 4,5 |
| <i>Piacquadio, Paolo G.</i> | M | Belgia | PhD | 15.08.13-14.08.17 | ESOP | 2,25 |
| <i>Willumsen, Fredrik</i> | M | Norway | PhD | 03.05.11-02.05.15 | ESOP | 8 |

Administration

| Administration | | | People: 2 | | Man-year: 1,2 | |
|------------------|-----|--|-----------------|------------|-------------------------|-----------------------------|
| Name | Sex | | Academic degree | Employment | Place of work/ employer | Months worked at the centre |
| Elgvin, Johannes | M | | Cand.polit | 01.01.09- | ESOP | 12 |
| Petersen, Stina | F | | Ma. sam.pol. | 22.04.13- | ESOP/ØI | 2,4 |

Research assistants

| Research Assistants | | | People: 9 | | Man-year: 1,5 | |
|-------------------------|-----|--------|-----------------|-------------------|-------------------------|-----------------------------|
| Name | Sex | | Academic degree | Employment | Place of work/ employer | Months worked at the centre |
| Andresen, Martin E. | M | Norway | Research ass. | 15.06.12-14.06.13 | ESOP/ØI | 3,25 |
| Brandsås, Eirik Eylands | M | Norway | Research.ass. | 07.01.13-01.08.13 | ESOP/ØI | 1,4 |
| Hjort, Ingrid C. | F | Norway | Research ass. | 17.06.13-16.06.14 | ESOP | 3,25 |
| Holden, Mari Brekke | F | Norway | Research ass. | 12.08.13-11.08.14 | ESOP/ØI | 0,9 |
| Knutsen, Tora Kjærnes | F | Norway | Research ass. | 12.08.13-11.08.14 | ESOP/ØI | 0,9 |
| Rasdal, Kristin | F | Norway | Research ass. | 03.07.12-02.07.13 | ESOP/ØI | 3,5 |
| Solheim, Mari Bugge | F | Norway | Research ass. | 15.08.11-14.08.13 | ESOP | 1,5 |
| Søraa, Eyvind | M | Norway | Research ass. | 18.06.12-31.12.13 | ESOP/ØI | 2,4 |
| Wen, Yudi | F | Norway | Research ass. | 12.08.13-11.08.15 | ESOP | 1,8 |

Guest researchers

| Guest researchers | | | People: 2 | | Man-year: 1,5 | |
|-------------------|-----|-----------------------|-----------------|-------------------|-------------------------|-----------------------------|
| Name | Sex | Country of employment | Academic degree | Guest period | Place of work/ employer | Months worked at the centre |
| Gates, Scott | M | Norway | Professor | 01.01.13-31.12.13 | PRIO | 12 |
| Torsvik, Gaute | M | Norway | Professor | 01.08.12- | UiB/ESOP | 6 |

Positions displayed in Man-year

| Personnel/positions | Man-year 2 007 | Man-year 2 008 | Man-year 2 009 | Man-year 2 010 | Man-year 2 011 | Man-year 2012 | Man-year 2013 |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Professors, researchers, etc. | 3,6 | 6,3 | 6,7 | 9,1 | 9,1 | 8,6 | 10,7 |
| Research fellows/Ph.D. students | 5,5 | 7,8 | 9,9 | 12,4 | 10,6 | 11,8 | 14,7 |
| Postdocs | 1,3 | 2,9 | 3,1 | 3,6 | 3,9 | 2 | 2 |
| Technical/adm. Positions | 1,1 | 2,0 | 1,5 | 1,5 | 1,0 | 1 | 1,2 |
| Research Assistants | | | | | | 1,6 | 1,5 |
| Total personnel, man-year | 11,5 | 19,1 | 21,2 | 26,6 | 24,6 | 25 | 30,1 |
| Guest researchers | | | | 1,5 | 0,1 | 5,2 | 1,5 |

Comments regarding the activities at the centre in 2013

Researchers marked in grey get funding from institutions other than the ESOP or the Department of Economics at the University (ØI). We work with some of these researchers on various projects, and some of these projects are funded by ESOP. Others collaborate with ESOP, and do research on ESOP-related subjects, without being directly funded by us. We cover their expenses in connection with relevant research and research trips. Postdoctoral fellow Fredrik Willumsen regrettably resigned his position at ESOP to work at The Government Pension Fund of Norway.

Oslo, 1 April 2014