



ANNUAL REPORT 2009



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THE YEAR 2009

The recent debate on the American health reform is an example of the actuality of many of ESOP's research themes. In particular the emphasis on the interaction between social reforms and the income distribution is highly relevant. Americans have been worried that the welfare reform may reduce wages. The main conclusion from ESOP's research on similar past experiences across OECD countries is that better welfare policies improve, rather than depress, the wages of vulnerable groups. Those who become better insured in case of sickness are able to command higher wages when they are healthy. A similar pattern has also been identified in our studies of social reforms in Norway such as the expansion of public child care.

As we continue to follow our research plan outlined in the ESOP-application, we gradually broaden the scope of ESOP's projects. The study of egalitarian lessons from the Nordic countries is the single most important research theme. Our studies may have implications for the assessments of social reforms and policies elsewhere as well– such as the current health reform in the US. During 2009 our research continues to indicate that ESOP is not only a center for the study of the Nordic model in the Nordic countries, but rather a center for the study of equality, social organization and performance more generally.

As emphasized in our application, ESOP has a research perspective with an interest both in rich and poor countries. Our research in 2009 also reflects these priorities. We have for instance studied how and why the US had a social and economic development in the first 25 years after WWII which resembled that of the Nordic countries in the same time period; wage differentials were small, unionization increased, and the welfare state was expanding. During the following 25 years, in contrast, higher inequality created even more inequality over time; wage differentials were on the rise, unionization in decline and the welfare state stagnated.

As we continue our research we are curious about possible changes in the society models of several major countries. Can the US Health Reform be a sign that the tides are changing again? Is North America at a turning point in its social policies? And what about countries in South America? Are some of them introducing viable welfare arrangements for the poor? We want to learn more about the economic and political feasibility of such new arrangements. In

India and China we find other examples of new trends in combining markets and social policies.

2009 has been a good year for ESOP not only because the relevance of our core themes has been highlighted. We are also pleased with the research activity. Its wide scope is evident from the themes of the workshops, PhD training, and popular discussions organized by our center in 2009. The themes range from a celebration of the 250 year anniversary of Adam Smith's *Theory of Moral Sentiments* to modern theories of inequalities in contests. They also include current topics like policies to tackle the financial crisis, important aspects of labor and the family, and an exploration of recent experiences with variants of the Nordic Model among researchers from each of the five Nordic countries. The research activities also include a full Computer Literacy Day to enhance necessary research skills.



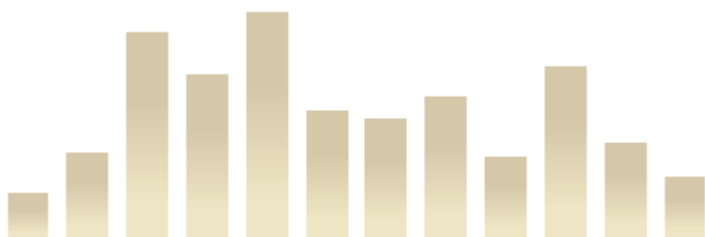
Prof. Kalle Moene
Centre leader



Prof. Halvor Mehlum
Deputy leader



Johannes Elgvin
Administrative leader



RESEARCH AREAS

We structure our research around five subareas:

- The Welfare State
- Social Organization
- Development and Globalization
- Income and Social Mobility
- Institutions and Society Models

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 whom it provides this for. 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.

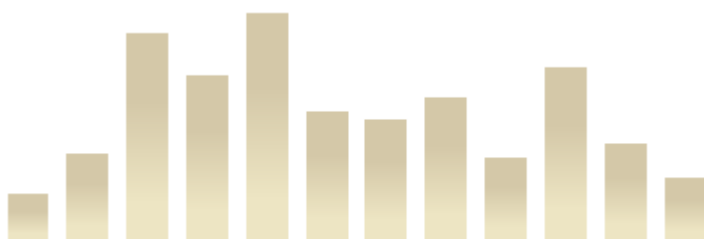
Income and Social Mobility

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 behaviors 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?



A quick tour of some projects

Below we present some of ESOPs projects related to each category. The projects listed represent examples of the ongoing research. The list does not cover projects that were adequately covered in last 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 (names in parenthesis) is part of ESOPs research team. Some of the projects below have funding from other sources than the Department or the Research Councils ESOP research grant.*

The Welfare State

Electoral competition and budgets: Political participation in elections is a key component of a well-functioning democracy. Understanding the determinants of voter turnout is therefore important, and has inspired a large body of literature. One theory emphasizes that an individual will vote if the expected utility from doing so exceeds the cost. While several studies have investigated how the expected probability of being pivotal matters for voter turnout, little attention has been directed to the benefits of affecting the result. In ongoing research we explore whether turnout rates vary with the benefits of being pivotal: Do more people vote when the stakes are high? The analysis is based on data from Norway, where local and county level elections are held simultaneously. The analysis shows that in communities where windfall gains equip local governments with extra funds to distribute, voter participation increases at the local relative to the county election. A reasonable interpretation of this result is that when more wealth is controlled by the elected government, individuals have a stronger incentive to participate in the political process so as to influence policy outcomes. Thus, some people who otherwise would have stayed at home are motivated to turn out at the local election. (Fiva)

Equality Multipliers: We have investigated how equality can multiply due to complementarity between wage determination and welfare spending. A more equal wage distribution fuels welfare generosity via political competition. A more generous welfare state

fuels wage equality via its support of weaker groups. Together the two effects generate a cumulative process that adds up to an important social multiplier. This mechanism explains how equally rich countries may differ in social equality and why countries cluster around different worlds of welfare capitalism. Empirically we identify a sizeable equality multiplier using a panel of 18 OECD countries and a 50 year time series from the US. (Barth and Moene)

Social Organization

Fairness Norms: What should individuals be held responsible for? This is a fundamental question in much of the contemporary debate on distributive justice. Different fairness ideals, such as strict egalitarianism, and different versions of equal opportunity ethics and libertarianism give different answers to this question. In one experimental work we have studied the behavior of participants and estimated what factors the participants hold each other responsible for and the weight they attach to fairness. In another work we try to assess to what extent behavior in an experiment is consistent with stated ideals. Here we do not find much support for the hypothesis that people are self-serving in their choice of fairness ideal. Finally we have studied fairness ideals when allocating the gains and losses resulting from risky choices. In an experimental setting we find that the majority favors some redistribution between the lucky and unlucky when risky choices have been ex post. This is true irrespective of whether the risk taking was responsible or not. We also find that the ideals are not very different between participants and impartial spectators. (Cappelen, Tungodden, Sørensen)

Social organization and poverty: It is ESOPs ambition to have an open minded approach to economics. This also includes questioning the standard interpretation of the classical economists. In Norway, one of the pioneers of economics, professor A. M. Schweigaard has enjoyed a reputation as a market skeptic economist with an economic thinking guided by social concerns. With closer inspection, however, we have found that this reputation is hardly deserved. We have found that the economics he lectured for one generation of students in the mid 1800's was unequivocally pro market pro capitalism and against any regulation hurting capitalists and favoring workers.

This is in contrast to Adam Smith. In his Theory of Moral Sentiments from 1759, he warns of *the corruption of our moral sentiments, which is occasioned by this disposition to admire the*

rich and the great, and to despise or neglect persons of poor and mean condition. (p 84) .

Given Smiths' reputation as the one who preaches the virtues of market forces one might wonder whether he himself fell victim to such moral corruption. He did not fail and his reputation is not deserved. Wealth of Nations is much more pro poor, pro labor, and pro majority interests than both conservatives and radicals today are willing to see. Freeing Adam Smith from his ideological captivity might help in the elimination of the false proposition that markets and free trade cannot complement social interventions, strong unions and a generous welfare state in an egalitarian development path.

Finally, we have also revisited Alexis de Toqueville's Democracy in America. There is much to learn from Toquevilles approach. We stress how his views of the American model of 1830 resembles more the present Nordic model than the present American model.

(Mehlum and Moene)

Development and Globalization

Miserly developments: Some countries are so poor that it is impossible to eradicate poverty with the current level of production. If all resources were shared equally in Burundi, for instance, everybody would be below the World Bank's poverty line. But there are several countries with similar levels of poverty which have much more resources available. Poverty in such affluent societies reveals a missing willingness to redistribute resources. We label such countries miserly, and have developed a framework to rank the miserliness of different countries. The most miserly countries are located in Southern Africa and Latin America. Studying the characteristics of miserly countries, it turns out that they provide low levels of education and health services, and generally are socially heterogeneous, bureaucratically inefficient, and politically corrupt. What may be surprising is that democratic countries on average are as miserly as less democratic countries. In an extension of the study to rich countries, we show that the US is the most miserly OECD country whereas Norway is the most miserly of the Nordic countries. (Lind and Moene)

How do migrants fare in the Norwegian economy and how do they affect the labor market?

We have studied these and related questions in several works.

First, we find that the lifecycle employment profiles of nonwestern male labor migrants who came to Norway in the early 1970s diverge significantly from those of native comparison

persons. During the first years after arrival almost all of the immigrants worked and their employment rate exceeded that of natives. But, about ten years upon arrival, immigrant employment started a sharp and steady decline. By 2000, the immigrant employment rate was 50 percent, compared to 87 percent for the native comparison group. To some extent, the decline in immigrant employment can be explained by immigrants being overrepresented in jobs associated with short employment careers. But we also identify considerable disincentives embedded in the social security system that contribute to poor lifecycle employment performance of immigrants with many dependent family members.

Second, we have investigated the consequences of schooling for the immigrant youth. The national Norwegian school reform of 1994, which gave statutory right to at least three years of upper secondary education, had a significant impact on educational attainment among immigrant youth. We present evidence that the improvement can be attributed to reductions in capacity constraints, rather than cohort heterogeneity. An important implication is that non-targeted educational reforms may have large impacts on the educational attainment of ethnic minority youth.

Thirdly, to identify wage impacts of immigration, we make use of licensing requirements in the Norwegian construction. Our analysis reveals substantially lower wage growth for workers in trades with rising immigrant employment than for other workers. We also find that immigration reduces price inflation, as price increases over the sample period were significantly lower in activities with growth in the immigrant share than in activities with no or small change in immigrant employment. (Bratsberg, Brinch, Bernt, Røed, and Raaum)

Sustainable development is defined by the UN Report "Our common future" (1987) as *"development that meets the needs of the present without compromising the ability of future generations to meet their own needs"*. The difficult question facing each country and the world as a whole is thus how to know whether we are depleting our natural resources too fast, and are consuming too much today. Different sets of indicators have been proposed in order to answer this question. One approach is the so-called *capital approach to sustainable development*. Since we "meet our needs" every year by using different inputs in different production processes, we need to monitor the current state of the stocks of inputs. These stocks together are denoted *national wealth*, and the task becomes to ensure that resources are managed such that *national wealth* is kept intact. Clearly, national wealth should encompass all types of capital that contribute to human well being. Our research could improve both the way stocks of natural capital can be measured in economic terms, and how to detect

unsustainable practices with respect to the management of the different stocks of capital. Moreover, our research has looked deeper into the epistemological foundation for the capital approach to sustainable development. (Asheim)

Income and social mobility

Income inequality: Perhaps the most central appeal of the Nordic welfare states as a model for economic policies, is the ability to combine high economic growth with low economic inequality. Whereas in anglo-saxon countries, the ten percent richest typically earn about four to six times as much as the ten percent poorest, in Scandinavia this factor is usually less than three. To understand the linkages between economic performance and social disparities, it is crucial to investigate how these differences in earnings inequalities come about. At ESOP we approach this from several different angles. On the one hand, we study the empirical structure of the earnings distribution, and how characteristics of the population may create differences that may not be directly related to the institutional framework, or how the reported distribution of yearly earnings may not reflect well the distribution of expected lifetime incomes. On the other hand, given the observed distribution of earnings, we must understand how we should aggregate over the outcomes in order to make normative judgments about it. Finally, theoretical advances are necessary to understand how the Nordic welfare institutions may contribute to lower wage dispersion.

In a couple of works we use age-adjusted inequality measures to evaluate whether changes in inequality over time are due to changes in the age-structure. In particular, we investigate the hypothesis that the substantial rise in earnings inequality since the early 1980s is driven by the large baby boom cohorts approaching the peak of the age--earnings profile. Our analysis finds no support for this hypotheses. On the contrary, our results indicate that when adjusting for age the rise in inequality was even larger than previously observed.

In another work we study the introduction of universal child care in Norway in the late 1970s, addressing the long-run impact on children. We show that child care had strong positive effects on children's educational attainment and labor market participation, and also reduced welfare dependency. Further, girls and children with low educated mothers benefited the most. Moreover, our results suggest that the pivotal argument in favor of generous child care

policies is not that they, on average, improve children's earnings prospects, but rather that they level the playing field. (Almås, Havnes, and Mogstad)

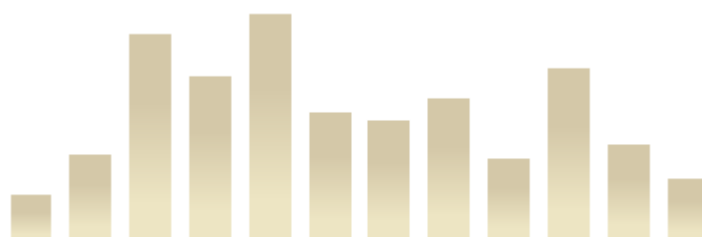
Institutions and Society Models

Culture: What is the role of culture as opposed to institutions and purely economic factors in explaining the diversity of outcomes? This question, to a very large extent, has been ignored by modern economics. We have addressed this lacuna by investigating the contribution of culture to two important economic outcomes: female labor supply and fertility. We have focused on systematic differences in preferences and beliefs across either socially or geographically differentiated groups. These preferences/beliefs may be held by the individual and thus influence her actions. We have studied the work and fertility outcomes of second-generation American women. These women, born and raised in the United States, face the same markets and institutions but they potentially differ in their cultural heritage as reflected in their parents' country of origin. We show that the cultural proxies have positive significant explanatory power even after controlling for education and spousal characteristics, and we demonstrate that the results are unlikely to be explained by unobserved human capital. (Fernández)

Organizing heterogeneous societies: All societies contain a number of associations, clubs, and other types of organizations which provide services ranging from sports activities to housing and religious functions. Many of these are formed by the citizens themselves. As citizens are different, a society needs a variety of organization to provide differentiated services. We then need to ask whether they tend to form a suitable number of organizations, or whether they form too many or too few associations. If there are situations where inhabitants tend to form too few organizations, this means that there is scope for the government to increase public welfare by subsidizing organizations. Such subsidies are commonly seen in real life. However, if there actually tends to be the correct number of organizations without subsidies, subsidies can introduce inefficiencies by giving incentives to form too many organizations. (Lind)

International environmental treaties like the Kyoto climate treaty, typically set a global or regional emission reduction target and allocates emission rights to countries such that the

overall emission reduction target will be met. For many regional or global environmental problems, individual countries will benefit from cheating on their obligations in the treaty. For instance, Canada has announced that its emissions will exceed the emission rights allocated to Canada by the Kyoto treaty. By not complying with the treaty Canada saves green house gas abatement costs, but can all the same enjoy the benefits of green house gas emissions reductions carried out in other countries. Hence, as long as there is no punishment of Canada by other countries, it is from Canada's point of view welfare improving to defect on the Kyoto treaty. Researchers have for some time studied credible punishment mechanism that can be applied to environmental treaties. Most punishment mechanisms suffer from the fact that they not only punish the non-complying country, but also the complying countries, and hence, they are often not credible threats. In a recent paper we have investigated punishment mechanisms in which only some of the complying countries punish for a limited period of time. We can then show that the threat of punishment becomes credible, and hence, defection by member countries in an environmental treaty will become less likely. (Asheim)



PUBLICATIONS

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

Papers

Asheim, Geir B. with Holtmark, Bjart (2009): "Pareto-efficient climate agreements can always be renegotiation-proof". In *Environmental and Resource Economics*, 2009, vol. 43, pages 519–533.

Abstract: Recent contributions show that climate agreements with broad participation can be implemented as weakly renegotiation-proof equilibria in simple models of greenhouse gas abatement where each country has a binary choice between cooperating (i.e., abate emissions) or defecting (no abatement). Here we show that this result carries over to a model where countries have a continuum of emission choices. Indeed, a Pareto-efficient climate agreement can always be implemented as a weakly renegotiation-proof equilibrium, for a sufficiently high discount factor. This means that one need not trade-off a “narrow but deep” treaty with a “broad but shallow” treaty.

Asheim, Geir B. with Wei, T. (2009): "Sectoral income". In *Environmental and Resource Economics*, 2009, vol. 42, pages 65-87.

Abstract: What is the income of each sector of an economy? E.g., in the case of a country endowed with petroleum resources, what is the income of its petroleum sector? Here we present a definition of sectoral income, which is compatible with an important line of theoretical literature on comprehensive national accounting. We do so first by splitting national income into individual income and then defining sectoral income by considering the contributions to individual income that the sectors give rise to.

Barth, Erling, with H. Dale Olsen (2009): "Monopsonistic Discrimination, Worker Turnover and the Gender Wage Gap" in *Labour Economics* 16:589-597.

Abstract: Motivated by models of worker flows, we argue in this paper that monopsonistic discrimination may be a substantial factor behind the overall gender wage gap. On matched employer-employee data from Norway, we estimate establishment-specific wage premiums separately for men and women, conditioning on fixed individual effects. Regressions of worker turnover on the wage premium identify less wage elastic labour supply facing each establishment of women than that of men. Workforce gender composition is strongly related to employers' wage policies. The results suggest that 70-90 percent of the gender wage gap for low-educated workers may be attributed to differences in labour market frictions between men and women, while the similar figures for high-educated workers ranges from 20 to 70 percent.

Christiansen, Vidar (2009): "The Choice Between Uniform and Differentiated Commodity Taxation". In *Yearbook for Nordic Tax Research*, 2008.

Fernández, Raquel (2009) "Culture: An Empirical Investigation of Beliefs, Work, and Fertility" (with A. Fogli), *American Economic Journal: Macroeconomics*, 1(1), 146-177, 2009.

Abstract: We study the effect of culture on important economic outcomes by using the 1970 Census to examine the work and fertility behavior of women 30-40 years old, born in the U.S., but whose parents were born elsewhere. We use past female labor force participation and total fertility rates from the country of ancestry as our cultural proxies. These variables should capture, in addition to past economic and institutional conditions, the beliefs commonly held about the role of women in society, i.e. culture. Given the different time and place, only the beliefs embodied in the cultural proxies should be potentially relevant to women's behavior in the US in 1970. We show that these cultural proxies have positive and significant explanatory power for individual work and fertility outcomes, even after controlling for possible indirect effects of culture (e.g., education and spousal characteristics). We examine alternative hypotheses for these positive correlations and show that neither unobserved human capital nor networks are likely to be responsible. We also show that the effect of these cultural proxies is amplified the greater is the tendency for ethnic groups to cluster in the same neighborhoods.

Fiva, J. H. (2009): "Does welfare policy affect residential choices? An empirical investigation accounting for policy endogeneity." *Journal of Public Economics*, Volum 93.(3-4) s. 529-540.

Abstract: This paper studies how changes in welfare policy affect welfare recipients' residential choices. Although several empirical studies have stressed that welfare policy may affect residential choices of welfare recipients, few studies have simultaneously taken into account that residential choices of welfare recipients are also likely to affect welfare policy. This paper utilizes a policy reform to address this policy endogeneity. The results show that welfare policy exerts a substantial effect on residential choices of welfare recipients.

Havnes, Tarjei, og Mogstad, Magne (2009) "Er barnehage bra for barna?", *Økonomiske analyser*; 28(4): 42-48.

Abstract: Barnehage har store positive effekter på barnas utdanningsnivå og arbeidsmarkedstilknytning i voksen alder, viser den første norske studien av langtidseffektene av den store barnehageutbyggingen på slutten av 1970- tallet.

Hoel, Michael Olaf with Bye, Torstein (2009): "Grønne sertifikater dyr og formålsløs fornybar moro", *Samfunnsøkonomen*, 2009, volum 63, hefte 7, side 34-37.

Abstract: Den norske regjeringen har inngått en avtale med den svenske regjeringen om et felles grønt sertifikatmarked for elektrisitet, og de politiske partiene i Norge kappes om å fremheve et slikt marked som redningen for energi- og klimaproblemene. Det synes som man i iveren har glemt helt banale økonomiske poenger. Ved å studere markedseffektene av slike sertifikater vil man raskt finne at virkningen slett ikke vil være slik man synes å tro, verken for energimarkedet eller klima.

Hoel, Michael Olaf with Holtsmark, Bjart (2009): "Utviklingslandene bestemmer klimautviklingen." I *Samfunnsøkonomen*, 2009, volum 63, hefte 7, side 38-48

Abstract: Økonomiske analyser tyder på at betydelige reduksjoner i globale klimagassutslipp er fornuftig. Spørsmålet er likevel om det er mulig å samle verden til å gjennomføre dette. Enkeltlands incentiver til å foreta utslippsreduksjoner er svært små, og gevinstene kommer i hovedsak først i andre

halvdel av dette århundret og enda senere. Skal man i vesentlig grad påvirke klimautviklingen, vil det kreve meget omfattende utslippsreduksjoner i hele verden, inkludert alle u-landene.

Hoel, Michael Olaf with Strøm, Steinar (2009): "Klimapolitikk for en liten, åpen og rik økonomi." I *Nytt Norsk Tidsskrift*, 2009, nr 03-04, side 496-502

Abstract: Norge er ett av verdens rikeste land og med et ganske høyt utslipp av klimagasser per innbygger. Det ser ut til å være en utbredt oppfatning blant politikere at Norge derfor har en moralsk plikt til å gjøre mer enn hva en internasjonal avtale om klimagassreduksjoner skulle innebære. I norsk klimadebatt ser mange ut til å mene at en ambisiøs norsk klimapolitikk er ensbetydende med strenge mål for norske utslipp samt gjennomføring av en rekke konkrete tiltak i Norge som vil redusere norske utslipp, men som også vil være svært kostbare. Strenge tiltak mot norske utslipp er imidlertid ikke god klimapolitikk dersom en ønsker å bidra til så store globale utslippsreduksjoner som mulig. En ambisiøs norsk klimapolitikk tilsier at det er politisk vilje i Norge til å påta seg betydelige kostnader for å redusere utslipp av klimagasser i Norge og utlandet. Det virker rimelig at en ønsker å oppnå en maksimal reduksjon i utslipp av klimagasser, gitt den kostnad som Norge er villig til å påta seg for å redusere verdens klimagassutslipp. Det beste Norge da kan gjøre er å gjennomføre de utslippsreduserende tiltak i Norge som ikke koster mer enn tiltak for å redusere utslipp i utlandet

Holden, Steinar with Wulfsberg, Fredrik (2009): "How strong is the macroeconomic case for downward real wage rigidity?", In *Journal of Monetary Economics*, 56(4): 605-615.

Abstract: We explore the existence of downward real wage rigidity (DRWR) at the industry level, based on data from 19 OECD countries for the period 1973–1999. The results show that DRWR compresses the distributions of industry wage changes overall, as well as for specific geographical regions and time periods, but there are not many real wage cuts that are prevented. More important, however, DRWR attenuates larger real wage cuts, thus leading to higher real wages. There is stronger evidence for downward nominal wage rigidity than for DRWR. Real wage cuts are less prevalent in countries with strict employment protection legislation and high union density.

Holden, Steinar (2009): "Finanskrisen - årsaker og mekanismer". I *Samfunnsøkonomen*, 4:4-10.

Abstract: Finanskrisen skyldes et samspill av ulike faktorer. Lave renter, høy økonomisk vekst og ubalanser i verdenshandelen har lagt grunnlaget for sterk økning i kredittgivning og rask vekst i boligprisene. Drevet av innovasjonsaktivitet og sterk profittvilje har finansmarkedene ekspandert kraftig, uten at en har hatt særlig forståelse for, eller tatt tilstrekkelig hensyn til, den risikoen dette har innebåret. Reguleringen av finansmarkedene har vært mangelfull, ved at store deler av finansmarkedene har stått utenfor tilsyn og kapitalkrav.

Holden, Steinar (2009): "Finanskrisen - hvordan kunne det skje?". I *Søkelys på arbeidslivet*, 1(26):125-133.

Abstract: Finanskrisen skyldes et samspill av flere faktorer. Finansmarkedene har vært preget av kraftig vekst, rask innovasjon og et sterkt ønske om profitt. En har tatt betydelig risiko, samtidig som man har undervurdert hvor stor risikoen egentlig var. Den makroøkonomiske utviklingen, med god vekst og lave renter, har også bidratt til kraftig økning i opplåning og boligpriser i mange land. Samtidig har tilsyn og regulering av finansmarkedene vært mangelfulle.

Høyland, Bjørn with Fabio Franchino (2009) : “Legislative Involvement in Parliamentary Systems”. In *American Political Science Review*, 2009, vol. 103(4), pages 607-621.

Abstract: In parliamentary systems, the need to preserve the political agreement that sustains the executive often motivates legislative involvement in policymaking. Institutional arrangements regulating executive–legislative relations and ministerial autonomy also structure parliamentary participation. However, empirical evidence of these effects remains limited to a few policies and countries. European Union legislation provides the opportunity to test expectations about legislative involvement for different types of measure across various institutional arrangements, across multiple policy areas, and across time. In this article, we investigate legislative involvement in the transposition of 724 directives in 15 member states from 1978 to 2004. Our results confirm that involvement increases as conflict between the responsible minister and her coalition partners intensifies. The discretionary scope embedded in the directive further inflates this effect. Additionally, parliamentary involvement decreases as the government’s institutional advantage over the legislature increases, especially if intracoalitional conflict deepens.

Høyland, Bjørn with Indraneel Sircar and Simon Hix (2009): “An Automated Database of the European Parliament”. In *European Union Politics*, Vol 10(1), 143- 153

Abstract: We present an automatically updatable database of background information about Members of the European Parliament (MEPs) from 1979 until the present. Although this information is already directly accessible through the European Parliament’s web page, it is presented in a manner that makes it ideal only for those interested in finding information about individual MEPs, but difficult for anyone interested in doing large-N analysis. We provide an online ‘live’ source of background information about MEPs that is tailored towards the need of the latter group. Our web page allows researchers to specify the time period in which they are interested and to obtain data on committee, party group and delegation membership, as well as leadership positions within seconds. As the collection of the data is fully automated, we are able to keep the data updated as long as the European Parliament (EP) continues its current practice of making background information about members available online. Researchers will be able to combine this information with other data sources at a substantively lower cost than is currently the case. As such, we hope to encourage a new generation of research into the EP. The research note is organized as follows. The next section reviews the literature. It highlights how our database may be used to extend the

Lind, Jo Thori and Mehlum, Halvor (2009): “UTEST: Stata module to test for a U-shaped relationship”. Programme expansion for Stata, available at <http://ideas.repec.org/c/boc/bocode/s456874.html>

Mehlum, Halvor (2009) ”The Island Problem Revisited”. *American Statistician*; 63(3):269-273.

Abstract: Here I revisit the so-called “island problem” in forensic statistics. The problem is how to properly update the probability of guilt when a suspect is found that has the same characteristics as a culprit. In particular, how should the search protocol be accounted for? I present the established results of the literature and extend them by considering the selection effect resulting from a protocol in which only cases with a suspect reach the court. I find that the updated probability of guilt is shifted when properly accounting for the selection effect. Which way this shift goes depends on the exact distribution of all potential characteristics in the population. The shift is only marginal in numerical examples that have any resemblance to real-world forensic cases. The island problem illustrates the

general point that the exact protocol through which data are generated is an essential part of the information set that should be used when analyzing nonexperimental data.

Mehlum, Halvor (2009) "On the Geometry of the Instrumental Variable Estimator". *Oxford Bulletin of Economics and Statistics*; 71(3):427-435

Abstract: I derive the exact distribution of the exact determined instrumental variable estimator using a geometric approach. The approach provides a decomposition of the exact estimator. The results show that by geometric reasoning one may efficiently derive the distribution of the estimation error. The often striking non-normal shape of the instrumental variable estimator, in the case of weak instruments and small samples, follows intuitively by the geometry of the problem. The method allows for intuitive interpretations of how the shape of the distribution is determined by instrument quality and endogeneity. The approach can also be used when deriving the exact distribution of any ratio of stochastic variables.

Moene, Karl Ove with Baland, Jean Marie and Andersson, Siwan (2009) "Enforcement in Informal Saving Groups", *Journal of Development Economics*; 90(1):14-23.

Abstract: Informal groups cannot rely on external enforcement to insure that members abide by their obligations. It is generally assumed that these problems are solved by []social sanctions' and reputational effects. The present paper focuses on roscas, one of the most commonly found informal financial institutions in the developing world. We first show that, in the absence of an external (social) sanctioning mechanism, roscas are never sustainable, even if the defecting member is excluded from all future roscas. We then argue that the organizational structure of the rosca itself can be designed so as to address enforcement issues. The implications of our analysis are consistent with first-hand evidence from rosca groups in a Kenyan slum.

Moene, Karl Ove (2009) "Paternalisme for liberalister?", *Minerva*, 2009, issue 3, pages 4-6.

Thaler og Sunstein vil dulte oss i riktig retning. Inngrepene skal ikke lede til mer, men først og fremst til bedre offentlig styring. De skal kanskje lede til mer marked, men først og fremst til bedre markeder. Noen av mekanismene som trekkes frem, er for lengst oppdaget av næringslivet og blir ofte benyttet med motsatt fortegn. Forslagene til dult kan derfor i noen grad betraktes som forsøk på å nøytralisere næringslivets manipulering.

Mogstad, Magne, and Rege, Mari (2009) "Tidlig læring og sosial mobilitet", *Samfunnsøkonomen*, 5.

Mogstad, Magne, and Rege, Mari (2009) "Jo rikere jo bedre? Betydningen av familieinntekt for barns utvikling", *Søkelys på arbeidslivet*, 3

Abstract: Familiebakgrunn har stor betydning for barns utvikling. Flere studier fra USA og Europa demonstrerer at skoleprestasjoner, utdanningsnivå, arbeidsmarkedstilknytning og inntekt er avhengig av familiebakgrunn. Spesielt viser studiene at barn av foreldre med lav utdanning eller lav inntekt har dårligere muligheter til å lykkes som voksne.

Nilssen, Tore; with Jansen, Eilev and Strandenes, Siri Pettersen (2009): "Artikkelprisen 2008". I *Samfunnsøkonomen*, 2009, vol. 63, issue 1.

Nilssen, Tore; with Kind, Hans Jarle and Sjørgard, Lars (2009): “Business Models for Media Firms: Does Competition Matter for How They Raise Revenue?”. In *Marketing Science*, vol. 28, issue 6, pages 1112-1128.

Abstract: The purpose of this article is to analyze how competitive forces may influence the way media firms like TV channels raise revenue. A media firm can either be financed by advertising revenue, by direct payment from the viewers (or the readers, if we consider newspapers), or by both. We show that the scope for raising revenues from consumer payment is constrained by other media firms offering close substitutes. This implies that the less differentiated the media firms' content, the larger is the fraction of their revenue coming from advertising. A media firm's scope for raising revenues from ads, on the other hand, is constrained by how many competitors it faces. We should thus expect that direct payment from the media consumers becomes more important the larger the number of competing media products.

Nyborg, Karine, (2009) ”Hvem er redd for Homo Oeconomicus? Om eksperimenter, hevntang og krypdyr”. *Samtiden* 04/09, 52-64.

Raaum, Oddbjørn, and Røed, Knut, with Nordberg, Morten, Rogstad, Jon, and Westlie, Lars (2009); “Young and Out: An Application of a Prospects-Based Concept of Social Exclusion” *Journal of Socio-Economics*, vol. 38, pages 173–187.

Abstract: We develop a forward-looking empirical concept of social exclusion based on the estimated transition probabilities from a random effects multinomial Logit-model. Youths are considered socially excluded if they are currently outside school/work and have a low predicted probability of re-entering in the near future. Implemented on extraordinary rich event-history data of compulsory school graduates, we estimate social exclusion among Norwegian youths and find that social exclusion propensity is (i) non-cyclical; (ii) much more prevalent among young adults in their early twenties than among teenagers; (iii) strongly dependent on family background; and (iv) independent of gender.

Rege, Mari, with Telle, K., and Votruba, M. (2009) “The Effect of Plant Downsizing on Disability Pension Utilization”, *Journal of the European Economic Association*, 7.

Abstract: We investigate the impact of plant downsizing on disability pension utilization in Norway. Plant downsizing substantially increases the disability entry rate of workers in affected plants. Workers originally employed in plants that closed between 1993 and 1998 were 27.9 percent more likely to utilize disability pensions in 1999 than comparable workers in non-downsizing plants. The effect of downsizing is non-linear, with workers originally employed in plants downsizing 65-95 percent of their workforce more likely to enter disability than workers in fully closing plants. This is consistent with the signaling story of Gibbons and Katz (1991). We also estimate significant effects of downsizing on future earnings and mortality, suggesting the increase in disability participation could be driven by an adverse effect of downsizing on the economic opportunities or health of affected workers

Røed, Knut, with Nordberg, Morten (2009); “Economic Incentives, Business Cycles, and Long-Term Sickness Absence”. *Industrial Relations*, vol. 48, issue 2, pages 203-230.

Abstract: We investigate long-term absenteeism in Norway, on the basis of register data covering 8 years and more than 2 million absence spells. Key findings are that: i) a tighter labor market yields

lower work resumption rates for persons who are absent, and higher relapse rates for persons who have already resumed work; and ii) the work resumption rates increase when sickness benefits are exhausted, but work resumptions at this stage tend to be short-lived.

Storesletten, Kjetil with Heathcote and Violante (2009): "Quantitative Macroeconomics with Heterogeneous Households", In *Annual Review of Economics*, vol. 1, pages 319-354.

Abstract: Macroeconomics is evolving from the study of aggregate dynamics to the study of the dynamics of the entire equilibrium distribution of allocations across individual economic actors. This article reviews the quantitative macroeconomic literature that focuses on household heterogeneity, with a special emphasis on the "standard" incomplete markets model. We organize the vast literature according to three themes that are central to understanding how inequality matters for macroeconomics. First, what are the most important sources of individual risk and cross-sectional heterogeneity? Second, what are individuals' key channels of insurance? Third, how does idiosyncratic risk interact with aggregate risk?

Torvik, Ragnar (2009): "Why do some resource-abundant countries succeed while others do not?". In *Oxford Review of Economic Policy*, 2009, vol. 25, pages 241-256.

Abstract: On average, resource-abundant countries have experienced lower growth over the last four decades than their resource-poor counterparts. But the most interesting aspect of the paradox of plenty is not the average effect of natural resources, but its variation. For every Nigeria or Venezuela there is a Norway or a Botswana. Why do natural resources induce prosperity in some countries but stagnation in others? This paper gives an overview of the dimensions along which resource-abundant winners and losers differ. In light of this, it then discusses different theory models of the resource curse, with a particular emphasis on recent developments in political economy.

Torvik, Ragnar; with Robinson, James A. (2009): "A political economy theory of the soft budget constraint". In *European Economic Review*, 2009, vol. 53, issue 7, pages 786-798.

Abstract: Why do soft budget constraints exist and persist? In this paper we argue that the prevalence of soft budget constraints can be best explained by the political desirability of softness. We develop a political economy model where politicians cannot commit to policies that are not ex post optimal. We show that because of the dynamic commitment problem inherent in the soft budget constraint, politicians can in essence commit to make transfers to entrepreneurs which otherwise they would not be able to do. This encourages such entrepreneurs to vote for them. Though the soft budget constraint may induce economic inefficiency, it may be politically rational because it influences the outcomes of elections. In consequence, even when information is complete, politicians may fund bad projects which they anticipate they will have to bail out in the future.

Torvik, Ragnar; with Robinson, James A. (2009): "The real swing voter's curse". In *American Economic Review*, 2009, vol. 99, issue 2, pages 310-315.

Abstract: A central idea in political economy is that voters who are not ideologically attached to a political party, so-called 'swing voters,' attract policy favors and redistribution because they become the focus of electoral competition. In many parts of the world, however, politicians do not just use carrots to win elections, they also use sticks - coercion and violence. In this paper we show that expanding the 'policy space' to incorporate this can completely overturn the predictions of the

standard model. The reason for this is simple. With all groups of voters at play, political competition does indeed lead to a chase for the support of swing voters. In equilibrium this enables such voters to extract a large amount of rent from politicians. Anticipating this, politicians have an incentive to use violence to effectively disenfranchise swing voters. Indeed, and surprisingly, we show that it can be more attractive for an incumbent to disenfranchise the swing voters than the core supporters of the opposition. Swing voters are not blessed but cursed.

Ulltveit-Moe, Karen Helene (2009): "Statsbudsjettet 2010". In *Samfunnsøkonomen*, vol. 63, issue 8, pages 26-30.

Ulltveit-Moe, Karen Helene (2009): "Industripolitik för den svenska fordonsindustrin". In *Studier i Finanspolitik*, 2009, issue 3.

Abstract: Denna rapport diskuterar motiven för ett riktat statligt stöd till den svenska fordonsindustrin. Ett möjligt argument för ett sådant stöd är marknadsmisslyckandet på finans och kreditmarknaden, som slår oproportionerligt hårt mot fordonsindustrin där både producenter och konsumenter är mycket beroende av krediter. Vi finner också att fordonsindustrin, som är en FoU intensiv bransch, ligger relativt väl till när det gäller Sveriges förväntade framtida komparativa fördelar. Men även om fordonsindustrin har en framtid i Sverige betyder det inte att alla företagen är livskraftiga. Det är viktigt att se till att ett eventuellt stöd utformas så att den naturliga strukturomvandlingen inom fordonssektorn inte försvåras.

Zilibotti, Fabrizio; with Gancia, Gino (2009): "Technological Change and the Wealth of Nations". In *Annual Review of Economics*, 2009, vol. 1, pages 93-120.

Abstract: We discuss a unified theory of directed technological change and technology adoption that can shed light on the causes of persistent productivity differences across countries. In our model, new technologies are designed in advanced countries and diffuse endogenously to less developed countries. Our framework is rich enough to highlight three broad reasons for productivity differences: inappropriate technologies, policy-induced barriers to technology adoption, and within-country misallocations across sectors due to policy distortions. We also discuss the effects of two aspects of globalization, trade in goods and migration, on the wealth of nations through their impact on the direction of technical progress. By doing so, we illustrate some of the equalizing and unequalizing forces of globalization.

Zilibotti, Fabrizio; with Doepke, Matthias (2009): "International Labor Standards and the Political Economy of Child Labor Regulation". In *Journal of the European Economic Association*, vol. 7, issue 2-3, pages 508-518.

Abstract: The paper uses an overlapping generations model to examine the effects of an increase in a household's land ownership on child labor. Consistent with previous studies, it found that small increases in land lead to increased child labor. However, as land continues to increase child labor declines. Further, even when an increase in land ownership causes an immediate rise in child labor, there are contexts where long-run child labor (that is aggregated over progenies) declines.

Books or chapters in books

Barth, Erling (2009) (co-edited with Peter Dolton and Rita Asplund), "Education and Inequality across Europe", Edvard Elgar Publishing,

Barth, Erling, Moene, Karl Ove, Krüeger, Ingrid, Lind, Jo Thori, and Mehlum, Halvor (2009) "Den skandinaviske modellen og økonomisk ulikhet", *NOU 2009:10 Fordelingsutvalget*, s. 328-351

Abstract: Kan sosial trygghet og kapitalistisk dynamikk kombineres? Dagens skepsis retter seg mot økt globalisering eller mot velferdsstatens ekspansjon. Mens noen hevder at godt fungerende velferdsstater krever mindre marked og mindre globalisering, hevder andre at godt fungerende markeder krever mindre sosial trygghet gjennom velferdsstatsordninger. Skepsisen dreier seg om to viktige spørsmål.

For det første: Kan vi ha likhet i et lite land i en globalisert verdensøkonomi med stigende ulikheter? Dersom velferdspessimistene har rett, skulle land som har de største velferdsstatene og de mest likhetsskapende institusjonene i arbeidsmarkedet, ha størst problemer med å være konkurransedyktige på de internasjonale markedene. Dersom globaliseringspessimistene har rett, skulle land som er mest eksponert for internasjonal konkurranse, ha størst problemer med å etablere en omfattende velferdsstat med små lønnsforskjeller.

For det andre: Hva er sammenhengene mellom marked, likhet og effektivitet? Gir mer marked mindre likhet? Innebærer mindre ulikhet større ineffektivitet? Mer presist: Har de skandinaviske landene altfor mye likhet, for mye trygghet, for høye skatter, for store velferdsstater og for sterke fagforeninger i forhold til det som trengs for å få til en rimelig økonomisk vekst med høy sysselsetting og en stor og aktiv arbeidsstyrke?

De skandinaviske erfaringene er opplysende for begge typer spørsmål (Barth og Moene 2008). Dette vedlegget summerer opp noen foreløpige konklusjoner av pågående forskning omkring disse spørsmålene.

Christiansen, Vidar (2009): "Discussion" on "Do drinkers pay their way in the European Union?" by Sijbren Cnossen. In *Taxation and Regulation of Smoking, Drinking and Gambling in the European Union*, CPB Netherlands Bureau for Economic Policy Analysis Special Publication 76.

Hauge, Karen: Morality and economic decisions: An experimental approach. PHD-thesis, Department of Economics, University of Oslo, 2009.

Abstract: Karen Evelyn Hauge's PhD thesis within the field of Economics, concerns the role of morality in economic decisions. The thesis, entitled "Morality and economic decisions: An experimental approach", studies the importance of moral standards or ideals for generosity and contributions to public goods by means of economic laboratory experiments. In particular, Hauge explores the role of self-control and guilt in situations where selfish objectives may be in conflict with the individual's own, or others' moral ideals. In economic experiments, participants face real decisions where different choices generate different monetary payoffs for the participants.

An important topic in Hauge's thesis is individual contributions to public goods. Research on public good experiments shows that contributions to the public good fall as the game is repeated. A study in the thesis shows that individuals who choose to be part of a group binding its members to a charity donation, also manage to sustain high contributions as the public good game is repeated. According to the literature on public good games a large fraction of participants in public good game experiments are classified as conditional cooperators, that is, they contribute high amounts to the

public good as long as others also contribute high amounts, while they contribute low amounts if the others contribute low amounts. Hauge finds that the majority of participants in an experiment perceive that the moral standard which prescribes how they themselves should behave, is itself conditional on the actual contribution behavior of other participants.

Havnes, Tarjei (2009) "Keep it in the family? Universal child care, child development and intra-household conflict", *Universitetet i Oslo, Series of Dissertations submitted to the Faculty of Social Sciences*, vol. 193

Abstract: Etter familien er barnehagen antakelig den viktigste omsorgs-, leke og læringsarenaen for norske barn i førskolealder. Særlig har den økende yrkesdeltakelsen blant småbarnsmødre gjort barnehagen til et viktig supplement – og til dels erstatning – for familiens omsorg og læring. Selv om flere studier fra utlandet finner store positive effekter av tidlig innsats for barn fra spesielt utsatte grupper, er effektene av mer universelle ordninger fortsatt uklare, særlig gjelder dette langtidseffektene. Den første norske studien av langtidseffektene av den store barnehageutbyggingen på slutten av 1970-tallet viser at barnehage har store positive effekter på barnas utdanningsnivå og arbeidsmarkedstilknytning i voksen alder. Alt i alt bidro en utbygging av omtrent 17,500 barnehageplasser til å produsere 6,200 år utdanning. Utbyggingen bidro også til å utjevne forskjeller, ved å løfte spesielt den nedre og midtre delen av lønnsfordelingen, og ved å virke spesielt sterkt på utdanning for barn av foreldre med lav utdanning, og på lønn for jenter. Samtidig har hadde utbyggingen av barnehager liten eller ingen effekt på mødrenes arbeidsdeltakelse. Dette kan henge sammen med at mødrene hadde god tilgang på uformelt barnepass, først og fremst gjennom slekt, venner. Siden barn som går i barnehagen etter all sannsynlighet skiller seg fra andre barn, har det sentrale fokuset i studien vært å benytte nyere økonometriske metoder for å kunne rense ut forskjeller som ikke skyldes barnehage direkte. Ved å utnytte de omfattende norske registerdataene og den raske veksten i barnehagedekningen etter innføringen av barnehageloven, har det vært mulig å ta hensyn til så vel observerbare som uobserverbare forskjeller mellom barna og foreldrene.

Hoel, Michael Olaf with Greaker, Mads: Kapittel 2 i "Entreprenørskap och innovationer för hållbar utveckling", *Entreprenörskapsforum*, 2009, ISBN 91-89301-31-5, side 27-44

Abstract: Teknisk utveckling framhålls gärna som helt avgörande för att lösa klimatproblemet. I stora delar av världen krävs stark och hållbar ekonomisk tillväxt för att föra stora befolkningsgrupper ut ur fattigdom. Men ekonomisk tillväxt innebär högre energiförbrukning och som det ser ut i dag kommer den energin huvudsakligen att komma från fossila energikällor. Det betyder i sin tur att utsläppen av koldioxid, som är den viktiga klimatgasen, kan komma att mer än fördubblas fram till 2050. För att få klimatproblemet under kontroll måste världen antagligen halvera sina utsläpp av koldioxid före 2050. Utan en betydande teknisk utveckling är därför fortsatt ekonomiska framgångar för utvecklingsländerna och en lösning av klimatproblemet en omöjlig kombination.

Hoel, Michael Olaf with Greaker, Mads and Rasmussen, Ingeborg. "Climate policy – costs and design", *TemaNord*, 2009, TemaNord(550), 110 sider.

Abstract: There is a large and growing literature focusing on economic issues related to climate change and climate policies. This report presents a discussion of some of the recent studies. Our focus has been on various numerical analyses and not on the purely theoretical studies.

Holden, Steinar (2009): "The three outsiders and the monetary union". Chapter in *EMU at ten. Should Denmark, Sweden and the UK join?* SNS Förlag. Chapter 6 in the report by SNS Economic Policy Group, consisting of Harry Flam (chairman), Antonio Fatas, Steinar Holden, Tullio Jappeli, Ilian Mihov, Marco Pagano and Charles Wyplosz. ISBN 9185695963.

Abstract: Before the start of monetary union in 1999, Denmark, Sweden and the UK decided that they did not want to participate. Denmark and the UK obtained opt-out clauses in the Maastricht Treaty, while Sweden has chosen to stay out unilaterally. In all three countries, the key reason for this decision was - and still is - a negative view among the electorate. The Danish and Swedish governments have been in favour of membership and have put the issue before the people in a referendum (in Denmark twice). In the UK, the government has been in favour in principle, but with caveats.

This chapter reviews the costs and benefits of being outside the monetary union for Denmark, Sweden and the UK in view of the evidence from the last ten years. Building on the discussion in the preceding chapters, we consider the effects in relation to monetary policy, fiscal policy, labour markets, trade, and financial markets. We also briefly discuss political issues - whether the outsiders have experienced reduced influence in the EU and whether the entry of new member states into the monetary union has had any significance for the three outsiders. We start, however, by reviewing the background for why Denmark, Sweden and the UK are not currently members of the monetary union.

Høyland, Bjørn with Simon Hix (2009): *The Political System of the European Union*, 3. edition, Palgrave Macmillan

Mehlum, Halvor (2009) "Fordeling, etterspørsel og gevinster ved handel". *Rettferd og politikk. Festskrift til Hilde Bojer*, Emilia forlag, Bjørg Ofstad, Olav Bjerkholt, Kari Skrede and Aanund Hylland (eds.), s. 138-145

Mehlum, Halvor (2009) "Samfunnsøkonomen Schweigaard." *Anton Martin Schweigaard. Professorpolitikeren*. Akademisk Publiserings, s. 125-146

Moene, Karl Ove (2009) "Tocqueville og den nordiske modellen", *Elster og Sirenes Sang*, Pax, Oslo, Rune Slagstad (red).

Moene, Karl Ove (2009) "Gir konkurranse monopol - og monopol konkurranse?", *Rettferd og politikk. Festskrift til Hilde Bojer*, Emilia forlag, Bjørg Ofstad, Olav Bjerkholt, Kari Skrede and Aanund Hylland (eds.), pp. 146-154.

Mogstad, Magne, and Rege, Mari (2009) "Betydningen av tidlig læring for å motvirke at fattigdom går i arv", *Barnefattigdom*, Gyldendal forlag, T. Fløtten (red).

Mogstad, Magne, and Rege, Mari (2009) "Tidlig læring og sosial mobilitet: Norske barns muligheter til å lykkes som voksne", Vedlegg 2, *NOU 2009: 10, Fordelingsutvalget*.

Nyborg, Karine; Hoel, Michael with Olaf; Maurseth, Per Botolf. (2009) "Globale Miljøutfordringer – norsk politikk: Hvordan bærekraftig utvikling og klima bedre kan ivaretas i offentlige beslutningsprosesser". *NOU - Norges offentlige utredninger 2009 (16)*

Høyland, Bjørn and Hagemann Sara (2009): “Parties in the Council”, *The Role of Political Parties in the European Union*, Routledge: London, Bjorn Lindberg, Anne Rasmussen and Andreas Warntjen (eds).

Abstract: Ideology is widely seen as a powerful explanatory force of behaviour in collective decision-making. Yet, research on the Council of the European Union, the chief legislative body in the European Union, has only recently started to pay attention to ideology. We investigate to what extent formal position-taking can be explained by the ideological party affiliation of the governing parties. The focus is twofold. First, can aggregated coalition patterns be explained by ideological party affiliation? Second, do countries change coalition partners when there is a change of parties in government?

Master Theses

Andreassen, Einar (2009), Why do Employees Voluntarily Participate in Centralised Wage Bargaining? An Investigation of the Scandinavian Model using an Evolutionary Game Theoretic Approach, Department of Economics, University of Oslo

Abstract: This thesis investigates the behaviour of employees captured by centralised wage negotiations. It is empirically shown that centralised institutions are correlated with compressed wages, which in turn accumulates several types of conflicts. A centralised unions' association face similar conflicts of interest as within a plant union. The employees of different skills and crafts have distinct demands towards the employer, representing their importance for the final product. Within this bargaining, no person or group can raise specific demands without creating some sort of externality onto the other employees.

Halse, Askill Harkjerr (2009), A woman's touch. The impact of gender on political priorities, Department of Economics, University of Oslo

Abstract: Recent studies have found evidence that the gender of elected politicians matters for political outcomes. In my thesis I discuss the possibility of such an effect theoretically within the framework of political economics. In my own empirical analysis using a rich panel data set, I find that more women in Norwegian local councils seems to have led to more spending on public childcare and cultural services. The estimated effects are however very small in magnitude.

Korneliussen, Kristine (2009), Corruption and government spending - the role of decentralization, Department of Economics, University of Oslo

Abstract: That corruption affects the composition of government spending, and in particular that it affects education and health spending adversely, seems to be empirically well established. However, there are indications that these findings might be biased due to the omission of decentralization as an explanatory variable. This thesis empirically investigates the relationship between corruption and government spending, and by controlling for decentralization it tries to account for the potential omitted variable bias. The results support the findings that corruption adversely affects government spending on health and education. Nevertheless, there are indications that there might be an interaction effect between corruption and decentralization.

Walberg, Maria S. (2009), Allmenn minstelønn - Effekter av allmenngjøring av tariffavtalt minstelønn, Department of Economics, University of Oslo

Abstract: Norge har vært en del av et felles arbeidsmarked i Norden siden 1954, og hatt fri bevegelse av varer, kapital, tjenesteyting og arbeidskraft innenfor EU/EØS-området siden 1994. Det var en utbredt bekymring i Norge og andre land for at økt arbeidsinnvandring fra EU-8 ville føre til undergraving av rettigheter i arbeidslivet, belastninger for de offentlige velferdsordningene og sosial dumping. Norske myndigheter innførte derfor overgangsordninger fra 1. mai 2004, der det i en periode skulle være mulig å legge restriksjoner på arbeidsinnvandringen fra disse landene. Denne oppgaven forsøker å besvare spørsmålet om hva som vil være konsekvensen av at overgangsordningene utløper, og hvilke effekter det vil ha å allmenngjøre visse bestemmelser i en landsomfattende tariffavtale slik at de gjelder for alle arbeidstakere innenfor en region, bransje og/eller yrke uavhengig av om arbeidsgiver eller arbeidstaker er tariffdekket.

Working Papers

Disclaimer: For all these working papers at least one author is part of ESOP's research team. Some of the papers below are based on projects with funding from other sources than the Department or ESOP's research grant from the Research Council of Norway.

Almås, Ingvild (2008):

“International Income Inequality: Measuring PPP Bias by Estimating Engel Curves for Food”.

Abstract: Price-adjusted data on national incomes applied in cross-country comparisons are measured with bias. By studying micro data, this paper finds that the bias is systematic: the poorer a country is, the more its income tends to be overestimated. Consequently, international income inequalities are underestimated. The bias in the macro price variables (PPPs), is caused by factors analogous to those creating bias in consumer price index numbers (CPIs). Exploiting this fact, the PPP bias is measured by estimating Engel curves for food, a method already established to measure CPI bias.

Almås, Ingvild with Mogstad, Magne (2009): “Older or Wealthier? The Impact of Age Adjustments on the Wealth Inequality Rankings of Countries”.

Abstract: Differences in individual wealth holdings are widely viewed as a driving force of economic inequality. However, as this finding relies on cross-section data, we may confuse older with wealthier. We propose a new method to adjust for age effects in cross-sections, which eliminates transitory wealth inequality due to age, yet preserves inequality arising from other factors. This new method is superior to existing methods, like the much used Paglin-Gini, which is shown to have several problems. A new cross-country comparable database reveals that the choice of method is empirically important: Existing methods yield erroneous wealth inequality rankings of countries.

Almås, Ingvild and Lind, Jo Thori with Cappelen, Alexander; Sørensen, Erik; and Tungodden, Bertil (2008): “Measuring unfair (in)equality”.

Abstract: The standard approach to inequality measurement regards all inequalities as unfair. However, most people do not share this view, and believe that some inequalities are fair. This paper shows one way of generalizing the standard approach to take account of the distinction between fair and unfair inequalities. Within this framework, we introduce the unfairness Lorenz curve and the

unfairness Gini, which are generalizations of the standard versions of the Lorenz curve and the Gini. With this more general framework in place, we study the implications of responsibility-sensitive theories of justice for the evaluation of the income distribution in Norway from 1986 to 2005. We find that the pre-tax income distribution has become unfairer in Norway, even though the standard Gini has decreased over the same period, and we show that an important explanation of this finding is the change in women's economic situation. Finally, we show that the post-tax income distribution also has become unfairer, partly due to the tax system in Norway contributing less to the elimination of unfairness in 1986 than in 2005.

Almås, Ingvild (2008): "Equalizing Income versus Equalizing Opportunity - A comparison of the United States and Germany".

Abstract: Germany has lower posttax income inequality than the United States and hence is doing better according to a strict egalitarian fairness ideal. On the other hand, the United States is doing better than Germany according to a libertarian fairness ideal, which states that people should be held fully responsible for their income. However, most people hold intermediate (responsibility-sensitive) positions, and hence it is interesting to study and compare fairness according to these positions. Only if peoples' preferences are characterized by substantial degree of individual responsibility, the United States is considered less unfair than Germany. If we hold people responsible for the unexplained variation, the United States is considered fairer than Germany for all levels of responsibility sensitiveness. If we, on the other hand, demand compensation for the unexplained variation, Germany is fairer than the United States for all levels of responsibility. The latter may be seen as the preferred approach as it follows a 'benefit of the doubt' strategy.

Almås, Ingvild with Cappelen, Alexander; Sørensen, Erik; and Tungodden, Bertil (2009): "The Development of Inequality Acceptance".

Abstract: We report the results from an experiment designed to study the development of inequality acceptance from mid-childhood to late adolescence, a period characterized by fundamental neurobiological, cognitive, and institutional changes that potentially are essential in shaping people's fairness perceptions. We find, both for males and for females, a sharp increase in acceptance of inequalities due to differences in individual achievements when children enter adolescence, which we argue reflects both cognitive development and increased exposure to meritocratic institutions. In contrast, acceptance of inequalities due to efficiency considerations appears later in adolescence, and more prominently among males than females. Neither for males nor females do we find any change in selfishness from mid-childhood to late adolescence. Our results show that people's fairness perceptions change fundamentally in adolescence, and that children increasingly accept inequalities as they grow older.

Almås, Ingvild, Havnes, Tarjei and Mogstad, Magne (2009) Baby Booming Inequality? Demographic Change and Inequality in Norway, 1967—2004.

Abstract: We demonstrate how age-adjusted inequality measures can be used to evaluate whether changes in inequality over time are due to changes in the age-structure. In particular, we explore the hypothesis that the substantial rise in earnings inequality since the early 1980s is driven by the large baby boom cohorts approaching the peak of the age-earnings profile. Using administrative data on earnings for every male Norwegian over the period 1967{2004, we find that the impact of age adjustments on the trend in inequality is highly sensitive to the method used: While the most

widely used age-adjusted inequality measure indicates that the rise in inequality in the 1980s and 1990s is indeed driven partly by the baby boom, a new and improved age-adjusted measure indicates the opposite, namely that the rise in inequality was even larger than what the inequality measures unadjusted for age reveal.

Asheim, Geir B. (2010): Intergenerational equity

Abstract: Axiomatic analysis of intergenerational social preferences over infinite streams of well-being faces the following dilemma. Equal treatment of generations combined with sensitivity for the interests of each generation rules out explicitly defined preferences that can rank any pair of infinite well-being streams. Hence, either intergenerational social preferences must be incomplete or equal treatment and sensitivity must be compromised. This critical review of axiomatic analyses of preferences over infinite streams evaluates different kinds of intergenerational social preferences by comparing their axiomatic basis as well as their performance in simple present-future conflicts. The scope for application is discussed, using real-world intergenerational conflicts (such as global warming) as a backdrop.

Asheim, Geir B. with Mitra, T.: Sustainability and discounted utilitarianism in models of economic growth (revised)

Abstract: Discounted utilitarianism treats generations unequally and leads to seemingly unappealing consequences in some models of economic growth. Instead, this paper presents and applies sustainable discounted utilitarianism (SDU). SDU respects the interests of future generations and resolves intergenerational conflicts by imposing on discounted utilitarianism that the evaluation be insensitive to the interests of the present generation if the present is better off than the future. An SDU social welfare function always exists. We provide a convenient sufficient condition to identify SDU optima and apply SDU to two well-known models of economic growth.

Asheim, Geir B. (2009): The relationship between welfare measures and indicators of sustainable development

Abstract: This chapter investigates whether measures of welfare improvement indicates sustainability. First it shows how the value of net investments and real NNP growth (appropriately extended if population growth is positive) can be used to measure welfare improvement, before turning to following two questions: (1) Does non-negative value of net investments imply sustainable development? (2) Does sustainable development imply non-negative value of net investments? The main conclusion is that welfare improvement is not a sufficient condition for sustainability, but under special conditions it is a necessary condition for sustainability.

Asheim, Geir B with Mitra, T., Tungodden, B. (2009): Sustainable recursive social welfare functions

Abstract: Koopmans's (Econometrica 28, 287–309) axiomatization of discounted utilitarianism is based on seemingly compelling conditions, yet this criterion leads to hard-to-justify outcomes. The present analysis considers a class of sustainable recursive social welfare functions within Koopmans's general framework. This class is axiomatized by means of a weak new equity condition ("Hammond Equity for the Future") and general existence is established. Any member of the class satisfies the key axioms of Chichilnisky's (Social Choice and Welfare 13, 231–257) "sustainable preferences". The

analysis singles out one of Koopmans's original conditions as particularly questionable from an ethical perspective.

Asheim, Geir B. (2009) Global welfare comparisons

Abstract: To provide a normative foundation for transfers between different societies, one needs information on the "per capita welfare" in different societies, having different population sizes and environmental characteristics. This paper reviews various methods for doing such comparisons. The main conclusion of the analysis is that there appears to be no practical alternative to applying real comprehensive per capita NNP. This is a per capita variant of Weitzman's stationary welfare equivalent of future utility. Welfare comparisons between different societies must be made in local real prices calculated according to "purchasing-power-parity", where non-traded environmental amenities may play an important role.

Asheim, Geir B with d'Aspremont, C. and Banerjee, K. (2009): Generalized time-invariant overtaking

Abstract: We present a new version of the overtaking criterion, which we call generalized time-invariant overtaking. The generalized time-invariant overtaking criterion (on the space of infinite utility streams) is defined by extending proliferating sequences of complete and transitive binary relations defined on finite dimensional spaces. The paper presents a general approach that can be specialized to at least two, extensively researched examples, the utilitarian and the leximin orderings on a finite dimensional Euclidean space.

Asheim, Geir and Nilssen, Tore; with Emblem, Anne Wenche (2010): Health insurance: medical treatment vs disability payment.

Abstract: We present arguments for treating health insurance and disability insurance in an integrated manner in economic analysis, based on a model where each individual's utility depends on both consumption and health and her income depends on her earnings ability. When purchasing insurance, she may choose a contract that offer less than full medical treatment. We find that high-ability individuals demand full recovery and equalize utility across states, while low-ability individuals demand partial treatment and cash compensation and suffer a loss in utility if ill. Our results carry over to the case where health states are not observable.

Asheim, Geir B. and Høyland, Bjørn with Helland, L., Hovi, J., (2009): Self-serving dictators

Abstract: We provide experimental evidence of self-serving fairness ideals in a dictator game design that includes treatments where funds can be transferred in two ways to the one player and in one way to the other. Two methods for transferring funds to the recipient produce the same results as the regular dictator game. However, two methods for transferring funds to the dictator reduce her generosity significantly. Hence, the fairness ideal adopted by dictators appears to be equal share per individual in the former case (as in the regular dictator game), and equal share per transfer method in the latter case

Asheim, Geir B. (2009): Comparing the welfare of growing economies,

Abstract: Economies that currently have the same productive capacity may implement different growth rates. This entails that it is insufficient to base international comparisons of welfare solely on current well-being, or introducing the potential for future growth in an arbitrary manner. NNP-based measures trade off current well-being and the potential for future growth in a consistent manner. This paper shows that it matters for NNP-based measures whether different growth rates in different economies are due to different technological opportunities or different social preferences for development.

Asheim, Geir B with Voorneveld, M, Weibull, J. (2009): Epistemically stable strategy sets

Abstract: This paper provides a definition of epistemic stability of sets of strategy profiles, and uses it to characterize variants of curb sets in finite games, including the set of rationalizable strategies and minimal curb sets .

Asheim, Geir B.(2009): Strategic use of environmental information

Abstract: Strategic use of environmental information may have as consequence that a benevolent environmental agency will choose not to disclose information leading to reduced moral motivation. Thus, decision makers will not have access to such information, implying that they will not be able to adjust their decisions to available information on the state of the environment. In contrast, if the benevolent environmental agency instead bases its regulation on standard economic instruments, these instruments will incorporate all available information. Keywords and Phrases: Environmental regulation, voluntary contributions, moral motivation, hard information.

Asheim, Geir B with Perea, A. (2009): Algorithms for cautious reasoning in games

Abstract: We provide comparable algorithms for the Dekel-Fudenberg procedure, iterated admissibility and proper rationalizability by means of the concepts of preference restrictions and likelihood orderings. We apply the algorithms for comparing iterated admissibility and proper rationalizability, and provide a sufficient condition under which iterated admissibility does not rule out properly rationalizable strategies. Finally, we use the algorithms to examine an economically relevant strategic situation, namely a bilateral commitment bargaining game.

Asheim, Geir B: Procrastination, partial naivete, and behavioral welfare analysis

Abstract: This paper has a dual purpose. First, I present a new modeling of partial naivete and apply this to procrastination. The decision maker is partially naïve by perceiving that his current preferences may persist in the future. The behavioral implications of such partial naivete differ from those of related literature. Second, I suggest a general principle for welfare analysis in multi-self settings through a new application of Pareto-dominance, which reduces to the usual criterion for intertemporal choice if preferences are time consistent. In the case of procrastination, it leads to a clear welfare conclusion: Being partially naïve reduces welfare.

Aslaksen, Silje (2009) Corruption and Oil - Evidence from panel data.

Abstract: It has been argued that issues of corruption may be particularly relevant in the context of natural resources, as natural resource exploration is an extremely high rent activity likely to foster rent-seeking behavior. The existing literature on natural resources and corruption suffers from omitted

variable bias. This paper re-examines the effect of natural resource abundance on corruption using panel data estimation as well as new measures of resource endowments. I find evidence indicating that both oil extraction and mineral income is associated with more corruption. The adverse impact of oil on corruption is present both in democratic and nondemocratic countries.

Barth, Erling and Ognedal, Tone (2009): Resolving the tax evasion puzzle.

Abstract: Workers appear to do less unreported work than what is most profitable for them according to their narrow self interest. This is a puzzle. We resolve it by using a model where individuals with different entrepreneurial talent choose between employment and ownership and between reported and unreported work. Since unreported work is easier to detect when it is organized, tax evasion reduces the opportunities to gain from efficient production and vice versa. This trade off between efficiency and evasion leads to a gap between the individually and the collectively optimal level of unreported work within firms. Employers therefore set rules that implicitly ration unreported work in their firms to ensure the collectively optimal level. We demonstrate that these rules persist even in cases with open opportunities for self-employed unreported work. In equilibrium, employees are indifferent between jobs with high reported wages in firms with little unreported work and jobs with low reported wages but more unreported work. Individuals with low entrepreneurial talent earn more from reported work for a talented owner, than from unreported work as self-employed. The efficiency-evasion trade-off implies that individuals with high entrepreneurial talent earn more from running large, efficient firms with little unreported work than small, inefficient shadow firms. Thus the efficiency-evasion trade-off implies too high employment in low productive firms. Using Norwegian data we find that the gap between the willingness to receive unreported income and actual tax evasion is increasing in firm size --- in line with a key prediction of the model.

Beyene, Berhe Mekonnen (2009) How sensitive are Poverty Measures to the Choice of Equivalence Scale and Unit of Analysis? Evidence from Urban Ethiopia.

Abstract: The paper studies the effect of the choice of equivalence scale and unit of analysis on poverty measures using data from urban Ethiopia. Four types of equivalence scales and three different units of analysis were considered. The three commonly used FGT indices namely P_0 , P_1 and P_2 were computed for the whole sample and for different sub-samples based on geography and socio-economic characteristics of household heads. We found an important effect of the choice of equivalence scale on the poverty measures for the whole sample and for the sub-samples. The magnitude of the effect varies across sub-samples and in some cases rank reversal was observed. This suggests that maximum care should be done while choosing the appropriate equivalence scale. It is also advisable to consider more than one method of equivalence scale to check the robustness of poverty measures to the choice of equivalence scale. Using households as units of analysis consistently understates the level of poverty while the choice between individuals and equivalent individuals does not change the result much. Households should not be used as units of analysis as this could give a misleading result.

Bratsberg, Bernt, and Raaum, Oddbjørn with Røed, K., Österbacka, E., Jäntti, M., Eriksson, T. and R. Naylor (2009) Marital Sorting, Household Labor Supply, and Intergenerational Earnings Mobility across Countries.

Abstract: We present comparable evidence on intergenerational earnings mobility for Denmark, Finland, Norway, the UK and the US, with a focus on the role of gender and marital status. We confirm that earnings mobility in the Nordic countries is typically greater than in the US and in the

UK, but find that, in contrast to all other groups, for married women mobility is approximately uniform across countries when estimates are based on women's own earnings. Defining offspring outcomes in terms of family earnings, on the other hand, leads to estimates of intergenerational mobility in the Nordic countries which exceed those for the US and the UK for both men and women, single and married. Unlike in the Nordic countries, we find that married women with children and with husbands from affluent backgrounds tend to exhibit reduced labor supply in the US and the UK. In these countries, it is the combination of assortative mating and labor supply responses which weakens the association between married women's own earnings and their parents' earnings.

Bratsberg, Bernt, and Raaum, Oddbjørn with Røed, K. (2009) When Labor Migrants meet the Welfare State.

Abstract: We find that the lifecycle employment profiles of nonwestern male labor migrants who came to Norway in the early 1970s diverge significantly from those of native comparison persons. During the first years after arrival almost all of the immigrants worked and their employment rate exceeded that of natives. But, about ten years upon arrival, immigrant employment started a sharp and steady decline. By 2000, the immigrant employment rate was 50 percent, compared to 87 percent for the native comparison group. To some extent, the decline in immigrant employment can be explained by immigrants being overrepresented in jobs associated with short employment careers. But we also identify considerable disincentives embedded in the social security system that contribute to poor lifecycle employment performance of immigrants with many dependent family members. Finally, we uncover evidence that labor immigrants are particularly vulnerable to the state of the economy and face a high probability of permanent exit from employment during economic downturns.

Bratsberg, Bernt, and Oddbjørn Raaum (2009) Immigration and Wages: Evidence from Construction.

Abstract: To identify wage impacts of immigration, we make use of licensing requirements in the Norwegian construction sector that give rise to exogenous variation in immigrant employment shares across trades. Individual panel data reveal substantially lower wage growth for workers in trades with rising immigrant employment than for other workers. Selective attrition from the sector masks the causal wage impact unless accounted for by individual fixed effects. For low and semi-skilled workers, effects of new immigration are comparable for natives and older immigrant cohorts, consistent with perfect substitutability between native and immigrant labor. Finally, we present evidence that immigration reduces price inflation, as price increases over the sample period were significantly lower in activities with growth in the immigrant share than in activities with no or small change in immigrant employment.

Bratsberg, Erling, and Raaum, Oddbjørn, with Hægeland, Torbjørn (2009) Performance pay and within-firm wage inequality.

Abstract: This paper examines the impact of performance-related pay on wage differentials within firms. Our theoretical framework predicts that, compared to a fixed pay system, pay schemes based on individual output increase within-firm wage inequality, while group-based bonuses have minor effects on wage dispersion. Theory also predicts an interaction between performance-related pay and union bargaining, where union power reduces the impact of performance pay on wage dispersion. The empirical contribution utilizes two recent Norwegian employer surveys, linked to a full set of individual employee pay records. A longitudinal sub-sample allows for identification based on fixed

establishment effects. Introduction of performance-related pay is shown to raise residual wage inequality in nonunion firms, but not in firms with high union density. Our findings suggest that even though performance-related pay appears to be on the rise, the overall impact on wage dispersion is likely to be small, particularly in European countries with strong unions.

Bernt Bratsberg, and Oddbjørn Raaum, with Brinch, Christian, (2009) The Effects of an Upper Secondary Education Reform on the Attainment of Immigrant Youth.

Abstract: The national Norwegian school reform of 1994, which gave statutory right to at least three years of upper secondary education, had a significant impact on educational attainment among immigrant youth. In particular, we find that the immigrant transition rate from compulsory schooling to completion of the first year of upper secondary education improved from the pre- to the post-reform period. Using a sequential binomial logit framework, we present evidence that the improvement can be attributed to reductions in capacity constraints, rather than cohort heterogeneity. An important implication is that non-targeted educational reforms may have large impacts on the educational attainment of disadvantaged groups in general and ethnic minority youth in particular.

Brekke, K.A. with Snorre Kverndokk, (2009) "Health Inequality in Nordic Welfare States: More Inequality or the Wrong Measures?"

Abstract: Several empirical papers have indicated that the health inequalities in the Nordic welfare states seem to be at least as high as health inequalities in other European countries even if the Nordic states have a more egalitarian income structure. This is in contrast to standard economic theory that predicts that income equality should lead to health equality everything else equal. We argue that there may be a straightforward explanation why Nordic countries appear to have a steeper health gradient than other countries. Health and income are related, and the correlation between income and health will be weaker the more noise there is in terms of other determinants of income. If the Nordic countries have succeeded in reducing the impacts of other determinants of income, like social class, then the correlation between income and health will be stronger in the Nordic countries. This story also holds for other measures of health inequality. However, if the causality is running from income to health, there may be a reason why health inequality is higher in more egalitarian states based on cognitive stress theory. We argue however, that even in this case the difference between Nordic states and the rest of Europe may be a result of poor measures.

Brekke, Kjell Arne and Nyborg, Karine (2009): Selfish Bakers, Caring Nurses? A Model of Work Motivation

Abstract: Work contributes to people's self-image in important ways. We propose a model in which effort is unobservable and where individuals have a preference for being important to others. This gives the following predictions: 1) If a worker's effort is paid by his marginal productivity (bakers), effort is just like in the standard model. 2) If a worker's wage is unaffected by his effort (nurses), more effort is provided than in the standard model. 3) To prevent that shirkers become nurses, nurses' wages must be kept strictly lower than bakers' income. At this wage level there will be too few nurses. 4) Overinvestment in nursing equipment can be justified as a means to attract motivated nurses. 5) Even with full income compensation, both nurses and bakers may experience a net utility loss when losing their job. 4) Similarly, both nurses and bakers may prefer work to welfare, even with full income compensation."It is not from the benevolence of the butcher, the brewer, or the baker, that we expect

our dinner, but from their regard to their own interest" (Smith 1776, par. I.2.2). "How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him." (Smith 1759, par. I.I.I)

Brekke, Kjell Arne and Nyborg, Karine (2009): Social Interaction in Responsibility Ascription: The Case of Household Recycling

Abstract: Several studies have demonstrated that individual contributions to public goods are increasing in others' contributions. The underlying causes for this, however, are not yet fully understood. We present a model of duty-orientation in which moral responsibility is learned through observations of others' behavior. Since, in our model, responsibility is a burden, we hypothesize that individuals will be reluctant to accept responsibility based on uncertain information. Econometric analysis of data from a survey on households' glass recycling indicates that perceived responsibility is a major determinant for reported recycling; that responsibility ascription is influenced by beliefs about others' behavior; and that people are indeed reluctant to accept responsibility based on uncertain information.

Brekke, Kjell Arne and Hauge, Karen with Lars Olof Johansson; Olaf Johansson-Stenman; Henrik Svedsäter (2009): Are preferences skin deep? Dictators under cognitive load

Abstract: We study the impact of cognitive load in dictator games to test two conflicting views of moral behavior. Are social preferences skindeep in the sense that they are the result of humans' cognitive reasoning while the natural instinct is selfish, or is rather the natural instinct to share fairly while our cognitive capacities are able to adjust moral principles in a selfserving manner? Some previous studies in more complex settings give conflicting answers, and to disentangle different possible mechanisms we use simple games. We study both charitable giving and the behavior of dictators under high and low cognitive load, where high cognitive load is assumed to reduce the impact of cognitive processes on behavior. In the dictator game we use both a give frame, where the dictator is given an amount and may share some or all of it to a partner, and a take frame, where dictators may take from an amount initially allocated to the partner. The results from four different studies indicate that the effect of cognitive load is small if at all existing.

Christiansen, Vidar; with Blomquist, Sören and Micheletto, Luca (2009): Public Provision of Private Goods and Nondistortionary Marginal Tax Rates.

Abstract: The incidence and efficiency losses of taxes have usually been analyzed in isolation from public expenditures. This negligence of the expenditure side may imply a serious misperception of the effects of marginal tax rates. The reason is that part of the marginal tax may in fact be a payment for publicly provided goods and reflects a cost that the consumers should bear in order to face the proper incentives. Hence, part of the marginal tax may serve the same role as a market price in the sense that it conveys information about a real social cost of working more hours. We develop this idea formally by studying an optimal income tax model in combination with a type of public provision scheme not analyzed before; the provision level is individualized and positively associated with the individual's labor supply. As examples we discuss child care, elderly care, primary education and health care. We show that there is a potential gain in efficiency where public provision of such services replaces market purchases. We also show that it is necessary for efficiency that, other things equal, marginal income tax rates are higher than in economies where the services are purchased in the market. This is because the optimal tax should be designed so as to face the taxpayers with the real cost of providing

the services. Hence, it might very well be that economies with higher marginal tax rates have less severe distortions than economies with lower marginal tax rates.

Christiansen, Vidar (2007): Two approaches to determine public good provision under distortionary taxation.

Abstract: The paper argues that the appropriate approach to determine public good provision financed by distortionary taxes should depend on the available tax regime. If a sufficiently rich tax regime exists, one could rely on the Pareto criterion, which would be less information-demanding than a social welfare approach requiring access to social welfare weights assigned to various groups. The discussion is related to a number of representative tax regimes and cost-benefit approaches in the literature. It is also argued that, whatever the available tax regime, cost-benefit analysis runs into problems unless one can assume that taxes are set optimally.

Christiansen, Vidar; with Blomquist, Sören and Micheletto, Luca (2009): Public Provision of Private Goods and Nondistortionary Marginal Tax Rates: Some further results.

Abstract: The incidence and efficiency losses of taxes have usually been analyzed in isolation from public expenditures. This negligence of the expenditure side may imply a serious misperception of the effects of marginal tax rates. The reason is that part of the marginal tax may in fact be a payment for publicly provided goods and reflects a cost that the consumers should bear in order to face the proper incentives. Hence, part of the marginal tax may serve the same role as a market price in the sense that it conveys information about a real social cost of working more hours. We develop this idea formally by studying an optimal income tax model in combination with a type of public provision scheme not analyzed before; the provision level is individualized and positively associated with the individual's labor supply. As examples we discuss child care, elderly care, primary education and health care. We show that there is a potential gain in efficiency where public provision of such services replaces market purchases. We also show that it is necessary for efficiency that, other things equal, marginal income tax rates are higher than in economies where the services are purchased in the market. This is because the optimal tax should be designed so as to face the taxpayers with the real cost of providing the services. Hence, it might very well be that economies with higher marginal tax rates have less severe distortions than economies with lower marginal tax rates.

Christiansen, Vidar; with Smith, Stephen (2009): Externality-Correcting Taxes and Regulation.

Abstract: Much of the literature on externalities has considered taxes and direct regulation as alternative policy instruments. Both instruments may in practice be imperfect, reflecting informational deficiencies and other limitations. We analyse the use of taxes and regulation in combination, to control externalities arising from individual consumption behaviour. We consider cases where taxes are either imperfectly differentiated to reflect individual differences in externalities, or where some consumption escapes taxation. In both cases we characterise the optimal instrument mix, and show how changing the level of direct regulation alters the optimal externality tax.

Fiva, J. H.; with Andersen, J. J. and Natvik, G. J. (2010): Voting When the Stakes are High.

Abstract: The straightforward economic explanation why individuals participate in elections is that they seek to affect the election outcome. If this instrumental motive is relevant, then more people will participate in elections where stakes are high. We empirically explore this prediction in a setting, Norway, where exogenous revenues from hydro power production render communities different in terms of the fiscal constraints they face. To identify the effect of resource wealth via the instrumental

motive to vote, we utilize that elections for the local and regional councils are held simultaneously. We find that local revenues stimulate turnout at the local relative to county elections.

Fiva, J. H.; with Hægeland, T. and Rønning, M. (2010): Health Status After Cancer: Does It Matter Which Hospital You Belong To?

Abstract:

Background. Survival rates are widely used to compare quality of cancer care. However, the extent to which cancer-survivors regain full physical or cognitive functioning is not captured by this statistic. To address this concern we introduce post-diagnosis employment as a supplemental measure of quality of cancer care.

Methods. This study is based on individual level data from the Norwegian Cancer Registry (n=46,720) linked with data on labor market outcomes and socioeconomic status from Statistics Norway. We study variation across Norwegian hospital catchment areas (n=55) with respect to survival and employment five years after cancer diagnosis. To handle the selection problem, we exploit the fact that cancer patients in Norway (until 2001) are allocated to local hospitals based on their place of residence.

Results. We document substantial differences across catchment areas with respect to patients' post-diagnosis employment rates. Conventional quality indicators based on survival rates indicate smaller differences. The two sets of indicators are only moderately correlated. Conclusions. This analysis shows that indicators based on survival and post-diagnosis employment may capture different parts of the health status distribution, and that using only one of them to capture quality of care may be insufficient.

Fiva, J. H. with Natvik, G. J. (2009): Do Re-election Probabilities Influence Public Investment?

Abstract: We identify exogenous variation in incumbent policymakers' re-election probabilities and explore empirically how this variation affects their investments in physical capital. Our results indicate that a higher re-election probability leads to higher investments, particularly in the purposes preferred more strongly by the incumbents. This aligns with a theoretical framework where political parties disagree about which public goods to produce using labor and predetermined public capital.

Fiva, J. H. with Kirkebøen, L. J. (2009): Information Shocks and the Dynamics of the Housing Market

Abstract: This paper analyzes housing market reactions to the release of previously unpublished information on school quality. Using high quality housing data that precisely bracket the timing of the information shock; we investigate housing price dynamics within school catchment areas. We find a robust short-term housing market reaction to publication of school quality indicators, suggesting that this information was new to the households, and that households are willing to pay for better schools. The publication effect does not seem to be permanent as prices revert to prepublication levels after two to three months.

Havnes, Tarjei, Mogstad, Magne (2009) No Child Left Behind. Universal Child Care and Children's Long-Run Outcomes

Abstract: There is a heated debate in the US and Canada, as well as in many European countries, about a move towards subsidized, universally accessible child care. At the same time, studies on universal

child care and child development are scarce, limited to short-run outcomes, and the findings are mixed. We analyze the introduction of subsidized, universally accessible child care in Norway, addressing the impact on the long-run outcomes of children. Our precise difference-in-difference estimates show that child care had strong positive effects on children's educational attainment and labor market participation, and also reduced welfare dependency. 17,500 new child care places produces around 6,200 additional years of education. In line with these results, we find that children exposed to child care delay child bearing and family formation as adults. Subsample estimations by child's sex and mother's education suggest that good access to subsidized child care levels the playing field. A battery of specification checks support our empirical strategy.

Havnes, Tarjei, Mogstad, Magne (2009) Money for Nothing? Universal Child Care and Maternal Employment

Abstract: The strong correlation between child care and maternal employment rates has led previous research to conclude that aordable and readily available child care is a driving force both of cross-country differences in maternal employment and of its rapid growth over the last decades. We analyze the introduction of subsidized, universally accessible child care in Norway. Our precise and robust difference-in-differences estimates reveal that there is little, if any, causal effect of child care on maternal employment, despite a strong correlation. Instead of increasing mothers' labor supply, the new subsidized child care mostly crowds out informal child care arrangements, suggesting a significant net cost of the child care subsidies.

Hoel, Michael Olaf and Golombek, Rolf (2009): International Cooperation on Climate Friendly Technologies

Abstract: Climate mitigation policy should be imposed over a long period, and spur development of new technologies in order to make stabilization of green house gas concentrations economically feasible. The government may announce current and future policy packages that stimulate current R&D in climate-friendly technologies. However, once climate-friendly technologies have been developed, the government may have no incentive to implement the pre-announced future policies, that is, there may be a time inconsistency problem. We show that if the government can optimally subsidize R&D today, there is no time inconsistency problem. Thus, lack of commitment is not an argument for higher current R&D subsidies. If the offered R&D subsidy is lower than the optimal subsidy, the current (sub-game perfect) climate tax should exceed the first-best climate tax.

Hoel, Michael Olaf with Zeeuw, A. De. (2009): Can a Focus on Breakthrough Technologies Improve the Performance of International Environmental Agreements

Abstract: In a recent paper, Barrett (2006) reaches the conclusion that in general the answer to the question in the title is no. We show in this paper that a focus on the R&D phase in the development of breakthrough technologies changes the picture. The stability of international treaties improves and thus the possibility of realizing benefits of cooperation.

Holden, Steinar with Holden, Helge and Holden, Lars (2009): "Contract adjustment under uncertainty". To appear in Journal of Economic Dynamics and Control 2010.

Abstract: Consider trade in continuous time between two players. The gains from trade are divided according to a contract, and at each point in time, either player may unilaterally induce a costly

adjustment of the contract. Players' payoffs from trade under the contract, as well as from trade under an adjusted contract, are exogenous and stochastic. We consider players' choice of whether and when to adjust the contract payment. We show that there exists a Nash equilibrium in thresholds, where each player adjusts the contract whenever the contract payment relative to the outcome of an adjustment passes the threshold. There is strategic substitutability in the choice of thresholds, so that if one player becomes more active by choosing a threshold closer to unity, the other player becomes more passive.

Holden, Steinar and Rosén, Åsa (2009): "Discrimination and employment protection", preliminary.

Abstract: We study a search model with employment protection legislation. We show that if the output from the match is uncertain ex ante, there may exist a discriminatory equilibrium where workers with the same productive characteristics are subject to different hiring standards. If a bad match takes place, discriminated workers will use longer time to find another job, prolonging the costly period for the firm. This makes it less profitable for the firms to hire the discriminated workers, thus sustaining discrimination. In contrast to standard models, the existence of employers with a taste for discrimination may make it more profitable to discriminate also for firms without discriminatory preferences.

Holden, Steinar with Wulfsberg, Fredrik (2009): "Wage rigidity, institutions, and inflation".

Abstract: We study whether downward nominal wage rigidity (dnwr) for job stayers is transformed to dnwr at rates different from zero in aggregate data. Compositional effects, for example that old, high-wage workers are replaced by young low-wage workers, may lead to falling aggregate wages, while changes in relative wages combined with dnwr may lead to positive aggregate wage growth. We explore industry data for 19 oecd countries, over the period 1971–2006. We find evidence for floors on nominal wage growth at 6 percent in the 1970s and 1980s, at one percent in the 1990s, and at 0.5 percent in the 2000s. Furthermore, we find that dnwr is stronger in country-years with strict employment protection legislation, high union density, centralized wage setting and high inflation.

Holden, Steinar (2009): "Do choices affect preferences? Some doubts and new evidence". Revised version of "Testing for Cognitive Dissonance. Evidence from Children".

Abstract: Recent research is exploring the case for choice-induced changes in preferences using the free-choice paradigm of Brehm (1956). Participants are faced with a choice between items that they have given the same rating of liking, two items at a time, and it is found that an item not chosen in one choice has a lower tendency of being chosen in a subsequent choice. This tendency is interpreted as evidence for choice-induced changes in preferences. I argue that this interpretation of the evidence is invalid. Furthermore, I report a novel experiment in which participants were specifically asked to compare the items, allowing for a consistent interpretation of the evidence. I find no evidence of choice-induced changes in preferences after a choice between items where one was viewed as more attractive than the other, but potentially some weak evidence of changes in preferences after a choice between items viewed as equally attractive.

Holden, Steinar with Bjønnes, Geir H.; Rime, Dagfinn; and Solheim, Haakon O.Aa. (2009): "‘Large’ vs. ‘small’ players: A closer look at the dynamics of speculative attacks" .

Abstract: What is the role of “large players” like hedge funds and other highly leveraged institutions in speculative attacks? In recent theoretical work, large players may induce an attack by an early move,

providing information to smaller agents. In contrast, many observers argue that large players are in the rear. We propose a model that allows both the large player to move early in order to induce speculation by small players, or wait so as to benefit from a high interest rate prior to the attack. Using data on net positions of “large” (foreigners) and “small” (locals) players, we find that large players moved last in three attacks on the Norwegian krone (nok) during the 1990s: The ERM-crisis of 1992, the NOK-pressure in 1997, and after the Russian moratorium in 1998. In 1998 there was a contemporaneous attack on the Swedish krona (sek) in which large players moved early. Interest rates did not increase in Sweden so there was little to gain by a delayed attack.

Høyland, Bjørn with Simon Hix and Nick Vivyan (2009): From Doves to Hawks: A Spatial Analysis of Voting in the Monetary Policy Committee of the Bank of England

Abstract: This paper examines the making of UK monetary policy between 1997 and 2008 by analysing voting behaviour in the Bank of England’s Monetary Policy Committee (MPC). We provide a new set of measures for the monetary policy preferences of individual MPC members by estimating a Bayesian item response model. We demonstrate the usefulness of these measures by comparing the ideal points of outgoing MPC members with their successors and by looking at changes over time in the median ideal point on the MPC. Our analysis indicates that the British government has been able to move the position of the median voter on the MPC through its appointments to the committee. This highlights the importance of central bank appointments for monetary policy.

Høyland, Bjørn with Sara Hagemann (2009): Bicameral Politics in the European Union

Abstract: The literature on legislative decision-making and bargaining in the EU has reached a common conclusion that the European Parliament (Parliament) and the Council of the European Union (Council) are on equal footing in the main decision procedure, the Co-decision procedure. We present theoretical and empirical evidence to suggest that this is not the case: First, our analysis of the formal rules reveals that the Council has conditional agenda-setting power due to a change in the majority thresholds for adopting legislation from the first to the second reading in the Parliament. This change has important implications for the internal dynamics of the Parliament and its institutional powers vis-à-vis the Council. Testing these analytical considerations of the formal decision rules against voting data on all Co-decision legislation adopted in the two institutions since 1999, our empirical findings show that: First, coalition formation in the Council predominantly falls along the traditional left – right political dimension. Second, when disagreement over legislation is recorded in the Council, a strong divide can also be found in the Parliament. Third, when the Parliament is divided along party political lines, it is less likely to be able to meet the absolute majority requirement for amending the proposal adopted by the Council. Lastly, Parliament amendments are most likely to be adopted when a decision by voting is requested by a party group associated with the main ideological contingency in the Council.

Høyland, Bjørn with Sara Hobolt (2009): Selection in European Parliament Election

Abstract: Elections are inherently about selecting good candidates for public office and sanctioning incumbents for past performance. Yet, in the low salience context of second-order elections' to the European Parliament, empirical evidence suggests that voters sanction _rst-order national incumbents. However, no previous study has examined whether voters also use these elections to select good candidates. Drawing on a unique data set on the political experience of party representatives in 85 national elections to the European Parliament, we evaluate to what extent voters prefer candidates with

more political experience. The results show that selection considerations do matter. Parties that have experienced top candidates are rewarded by voters. The effect of promoting politically experienced candidates is greatest when European elections are held in the middle of the national electoral cycle.

Høyland, Bjørn (2009): Procedural effects in European Parliament Roll Call Votes

Abstract: The literature on voting in the European Parliament (EP) highlights the role of legislative parties. This is often done by showing that the uncovered ideal point estimates cluster more heavily around party groups than extant measures of ideology. The standard approach is to study all roll call votes within a legislative term, effectively treating each vote as equally important. Yet, we know that most roll call votes are non-consequential in terms of their effect on EU policies, as they are taken on non-legislative resolutions. This raises two concerns. First, failure to account for vote specific party inducements may make the estimated ideal points appear more clustered around parties than what would be the case if such inducements were accounted for. Second, most of the roll call votes in the EP are on resolutions, to the extent that voting behaviour in non-legislative resolutions is unrepresentative for voting behaviour on codecision legislation, the estimated ideal points will generate a distorted picture of voting behaviour on the votes most researchers care about. Building on the framework of Clinton, Jackman and Rivers (2004), this paper (1) estimates to what extent MEPs change their position when voting on codecision legislation compared to resolutions, and (2) evaluates to what extent party groups are able to influence the voting behaviour of the MEPs on specific votes. The results show that some MEPs behave differently on codecision and resolution votes. Furthermore, there occur substantive vote-specific party inducements on codecision legislation. As the standard approach ignores such effects, it risks painting a distorted picture of politics in the European Parliament.

Høyland, Bjørn with Jean-Francois Godbout (2009): Legislative Voting in the Canadian Parliament

Abstract: We analyze legislative votes in the 35th (1994-97) and 38th (2004-05) Canadian Parliaments over a multidimensional policy space. The results demonstrate that policy debates are two-dimensional in Canada. The first dimension represents the division between governing and opposition parties that has been found in similar parliamentary systems. The second dimension captures the opposition between Quebec and western provinces. There is a clear regional division between the Reform Party (and later the Conservative Party) and the Bloc Quebecois in both Parliaments; whereas the Liberals and the NDP occupy the center on this legislative dimension. We also note that the newly formed Conservative Party has moved closer to the center in the 38th Parliament.

Høyland, Bjørn, Moene, Karl Ove and Willumsen, Fredrik (2009) The Tyranny of International Index Rankings.

Abstract: International index rankings are popular, but perhaps too persuasive. They emphasize country differences where similarity is the dominant feature. The rankings of the Human Development Index, Freedom House, and Doing Business can be misleading, not because of wrong indicators, but because the estimation of the scores ignores inherent uncertainty. Re-estimated with a model that captures this uncertainty, it becomes clear that the practice of ranking every adjacent country is a rather courageous activity.

Kundu, Tapas with Klibanoff, Peter (2009): Monopoly pricing under a Medicaid-style most favored customer clause and its welfare implication.

Abstract: To control Medicaid's increasing expenditure on reimbursement of outpatient prescription drugs, the Omnibus Budget Reconciliation Act of 1990 included a rebate program that featured a most favored customer (MFC) clause. This clause guarantees that Medicaid pays the minimum price offered in the market (minimum price provisioning or MPP) or a proportion of the average manufacturer price (average price provisioning or APP). We characterize the optimal pricing strategy of a third-degree price discriminating monopolist in response to the imposition of MPP or APP rules. Among our findings are conditions under which these rules result in higher prices charged in all markets. We also examine the effects of these rules on aggregate demand for the drug and on social welfare. In general, these rules may change aggregate demand and social welfare in either direction. We are able to provide some useful sufficient conditions. For example, imposing MPP increases social welfare if it results in higher aggregate demand.

Kundu, Tapas (2009): Political Institution and Economic Transition.

Abstract: I examine the role of political institutions in facilitating the adoption of a long-term surplus-maximizing policy when the economy is in transition. In the model I consider, a transition process gradually restructures economic institutions so that the population's long-term preference may differ from its short-term preference. A democracy may fail to implement the optimal policy if the electorate does not take into account the increased benefit from transition in later periods. A dictatorship will implement the optimal policy if the dictator has complete information about the population's preference and if the increase in surplus due to transition is high. If there is incomplete information about the population's preference, a democratic system's ability to aggregate private information increases when the economy is in transition. A dictatorship is constrained by its ineffectiveness in aggregating private information. Under incomplete information, the effectiveness of a political institution critically depends on the level of uncertainty about the population's preference and the population's ability to adapt to economic policies.

Kundu, Tapas (2009): The Dynamics of Incumbent Behavior and Policy Uncertainty.

Abstract: I study a model of electoral competition where both economic policy and politicians' effort affect voters' payoff. If voters cannot distinguish the effect of policy and effort, politicians acquire an implicit incentive to exert effort. This incentive can last through every period in an infinitely repeated game as long as there is uncertainty in every period regarding the policy's effectiveness. However, as uncertainty decreases, the set of effort-exerting equilibria shrinks. Even if the electorate manages to hold the politician accountable on the effort dimension, it cannot eliminate politicians' inefficient persistence in policy choice. This situation occurs even when changing the existing policy would come at a small cost.

Kundu, Tapas; with Biswas, Basudeb; Burt, Micheal; Emanuel, Linda; Emanuel, Natalia and Rajagopal, MR (2009): *Economic Impact of Terminal Illness and the Willingness to Change It*

Abstract:

Objective: To gather pilot data on the economic impact of terminal illness on families and on the feasibility of training caregivers as a method of stemming illness-related poverty.

Design: Exploratory, descriptive study involving semi-structured interviews with patient and caregiver dyads.

Setting: Pallium India palliative care clinic in Trivandrum, Kerala, India.

Participants: 11 patient-caregiver dyads (22 individual participants) visiting Pallium India in 2008.

Methods: Trained interviewers administered face-to-face interviews consisting of 114 questions with the patient and caregiver separately. Questions covered topics of economic impact of illness on household, family, and individual. Questions included if the illness had so impacted families that they needed to sell assets or significantly reduce work and/or schooling.

Results: All families reported that patients were obliged to give up work as a result of illness. In seven families, the caregiver also had to change work habits. All respondents stated illness had forced them to sell assets. Ten households reported that their children were obliged to miss school due to the illness. All respondents indicated they would use trained caregivers to help with the care burden if available. Nine respondents thought that use of trained caregivers would have reduced or prevented some of the household's illness related change. Nine caregivers said they would be interested in becoming a trained caregiver.

Conclusion: These data indicate that a definitive study would be feasible and would reveal how much assistance caregiver training could lend to household socio-economic resilience.

Kundu, Tapas with Bhattacharya, Sourav (2009): Resistance to outside investment: A rational model of surplus destruction.

Abstract: If the government has the ability and willingness to redistribute the surplus created by an external investor, why do we still observe resistance to such investment, sometimes in the form of destruction of productive assets? And how does such destructive action affect a government's "investor-friendliness"? In a simple model where different social groups have different and uncertain valuation of productive investment brought in from outside, we explain such surplus destruction as a credible signal sent to the government by an affected group of its low valuation. The information-constrained government values such a signal and uses it to implement a better redistribution scheme. Such destructive action is decreasing in the extent that the government cares for the affected group. Under full information, the government taxes the investor if the investor's marginal valuation of the investment is higher than that of the society and subsidises the investor otherwise. Surplus destruction makes the government weaker in negotiating with the investor, i.e. more prone to providing subsidies to compensate for the investor's loss due to destruction. If two governments compete to attract the same investor, we show that there is a "subsidy war", and while the investor benefits from such competition at the cost of the societies, there may be an ex-post inefficiency, i.e. investment can move to the less profitable destination. Resistance to investment may have counterintuitive effects on a government's negotiating power under competition.

Kundu, Tapas; with Reitschuler, Eva and Emanuel, Linda (2009): Alleviating poverty: Policies to mitigate the economic cost of disease.

Abstract: We develop an overlapping generations model to examine how illness affects a household's long-term economic condition through its immediate implication on the household's decision to invest in their child's education. A prolonged period of illness or premature death of an earning member reduce household income, which in turn adversely affects a household's ability to invest in child education. Low investment in child education contributes to low household income in the future. Thus illness can generate a low-income low-education trap. We show how a policy of providing alternate education in skilled care-giving to those who were forced to forgo their formal education to take care of ill family members, could help economically devastated families to escape the trap.

Lind, Jo Thori (2009): Do the rich vote Conservative because they are rich?

Abstract: Political economics predicts that the rich oppose redistribution and vote for conservative parties. This seemingly fits the data well in most countries. I show that this relationship breaks down when we control for unobservable characteristics. Using Norwegian survey data, I study to what extent voting is caused by income. Although a positive association between income and conservative voting persists when controlling for unobservables, the magnitude of the effect is reduced by a factor of five. To correct for measurement error, I instrument income with average income by profession. The magnitude of the coefficients becomes higher, but the main conclusion remains.

Lind, Jo Thori with Chen, D. L. (2007): The Political Economy of Beliefs: Why Fiscal and Social Conservatives and Liberals Come Hand-in-Hand.

Abstract: Religious intensity as social insurance may explain why fiscal and social conservatives and fiscal and social liberals tend to come hand-in-hand. We find evidence that religious groups with greater within-group charitable giving are more against the welfare state and more socially conservative. The alliance reverses (social conservatives become fiscal liberals) for members of a state church and this reversal is unlikely to be driven by omitted environmental variables: increases in church-state separation precede increases in the alliance between fiscal and social conservatism. The theory provides a novel explanation for religious history: as elites gain access to alternative social insurance, they legislate increasing church-state separation to create a constituency for lower taxes. This holds if religious voters exceed non-religious voters, otherwise, elites prefer less church-state separation in order to curb the secular left, generating multiple steady states where some countries sustain high church-state separation, high religiosity, and low welfare state, and vice versa. We use this framework to explain the changing nature of religious movements, from Social Gospel to the religious right, and why church-state separation arose in the US but not in many European countries.

Lind, Jo Thori (2008). The number of organizations in heterogeneous societies.

Abstract: I consider an economy with heterogeneous individuals who can form organizations for the production of a differentiated good. A pattern of organizations is said to be split up stable if there is no majority to split up within any of the organizations. If all agents in society belong to an organization, the largest number of organizations that is split up stable corresponds to the socially optimal number of organizations. This no longer holds if membership is voluntary. Then organization membership is higher among agents who derive a high utility of membership, and there are too few organizations.

Lind, Jo Thori and Moene, Karl Ove (2009) Miserly Developments

Abstract: In many countries extreme poverty is unnecessary. Yet it persists. We propose a simple index, denoted the Miser index, to measure the extent to which societies have poverty in the midst of affluence. It builds on the generalized Lorenz curve, but can also be seen as a measure of polarization between the rich and the poor. We calculate the index for a number of developing and emerging economies and rank them according to their revealed miserliness. We also identify important correlates of the Miser index. Countries that score high on the index tend to be socially fractionalized, bureaucratically inefficient, and politically corrupt. They provide their citizens with a low level of health care and education. Democracy and high growth rates do not moderate miserliness. Finally, considering the world as a single entity, we find a dramatic rise in global miserliness over the last 30 years.

Lind, Jo Thori with Rohner, D. (2009): Income, Information and the Extent of Redistribution.

Abstract: Levels of redistribution are lower and occurs in other places than those predicted by standard models of Downsian electoral competition. We introduce a new mechanism that can account for this “redistribution puzzle”, based on an unequal distribution of political knowledge. The level of general education affects both the voters’ income and their incentives to acquire political information. Poorer voters have on average lower levels of political knowledge and hence of electoral platforms. The resulting voting mistakes lower the political weight of poor voters and lead to parties converging to lower levels of redistribution than under complete information. The predictions of the formal model are tested empirically using US election survey data. We find that income and stated political viewpoints are more important in forming voting behavior for more informed voters than for less informed voters, hence confirming the theoretical model.

Lind, Jo Thori; Moene, Karl and Willumsen, Fredrik (2009): Opium for the masses?
Conflict-induced narcotics production in Afghanistan.

Abstract: We show how the recent rise in Afghan opium production is caused by violent conflicts. Violence destroys roads and irrigation, crucial to alternative crops, and alters local governance. Exploiting a unique data set, we show that Western hostile casualties, our proxy for conflict, have strong impact on subsequent local opium production. This proxy, we argue, is exogenous to opium. We exploit the discontinuity at the end of the planting season: Conflicts have strong effects before and no effect after planting, indicating causality. The effects are strongest where government law enforcement is weak.

Lind, Jo Thori; Brekke, K. A.; Hauge, K. E. and Nyborg, K. (2009) Playing with the Good Guys.
A Public Good Game with Endogenous Group Formation.

Abstract: In public good games, voluntary contributions tend to start off high and decline as the game is repeated. If high contributors are matched, however, contributions tend to stay high. We propose a formalization predicting that high contributors will selfselect into groups committed to charitable giving. Testing this experimentally, we let subjects choose between two group types, where one type donate a fixed amount to a charity. Contributions in these groups stayed high, whereas contributions in the other groups showed the well known declining pattern. One implication is that corporate social responsibility may attract more responsible employees.

Mehlum, Halvor, Moene, Karl Ove, and Torvik, Ragnar (2009) Mineral rents and social development in Norway

Abstract: Norway is often referred to as the prime example of a country that has achieved high growth and low income inequality despite its vast natural resources. This contrasts sharply with many other resource abundant countries, which raises the questions why Norway has succeeded while many other resource abundant countries have not. That is the topic of this paper. To make progress we first need to find out along which dimensions Norway differs from resource abundant countries with a less favorable development. Thereafter we turn to a more detailed description and investigation of the policies adopted in Norway, and discuss if there are lessons to be learned for other resource abundant countries.

Mehlum, Halvor and Moene, Karl Ove (2009) King of the Hill, Positional Dynamics in Contests.

Abstract: In a contest with positional dynamics between an incumbent and a challenger i) inequality of power may magnify conflicts, ii) more severe conflicts can go together with lower turnover of incumbents, and iii) power can be self defeating as cost advantages can reduce pay-offs. These three propositions of our paper are contrary to the implications of static conflict models. They follow from incorporating positional dynamics into the standard static approach. Such positional dynamics are relevant for competition in battlefields, politics, and market places.

Moen, Espen with Riis, Christian (2009) Policy Reversal

Abstract: We analyze the existence of policy reversal, the phenomenon sometimes observed that a certain policy (say extreme left-wing) is implemented by the "unlikely" (right-wing) party. We formulate a Downsian signaling model where the incumbent government, through its choice of policy, reveals information both regarding own preferences and external circumstances that may call for a particular policy. We show that policy reversal may indeed exist as an equilibrium phenomenon. This is partly because the incumbent party has superior opportunities to reveal information, and partly because its reputation protects a left-wing incumbent when advertising a right-wing policy.

Moen, Espen with Pietro Garibaldi (2009) Job-to-Job Movements in a Simple Search Model

On the job search is a key feature of real life labor markets. In this paper we present a tractable search model, closely related to the competitive model, in which on-the-job search and wage differentials for identical workers are an optimal response to search frictions and heterogeneous firms. Our model is laid out in detail in ongoing research by Garibaldi and Moen (2009).

Moen, Espen R. and Rosén, Åsa (2009) On-the-job search and Moral Hazard.

Abstract: This paper analyzes the interaction between on-the-job search and incentive schemes that include deferred compensation. While deferred compensation improves the workers' incentives to exert effort, it distorts on-the-job search. We show that deferred compensation is less attractive when overall turnover in the market is high. In addition there exists feedback effects between the firms' choice of wage contracts and the activity in the search market which may lead to multiple equilibria: a low-turnover equilibrium where firms use deferred compensation to motivate workers, and a high-turnover equilibrium where they do not. Our model provides an explanation for observed differences in turnover rates between countries, e.g. US and Europe or Japan.

Moen, Espen and Rosen, Åsa (2009): Incentives in Competitive Search Equilibrium

Abstract: This paper analyses the interaction between internal agency problems within firms and external search frictions when workers have private information. We show that the allocation of resources is determined by a modified Hosios Rule. We then analyze the effect of changes in the macro economic variables on the wage contract and the unemployment rate. We find that private information may increase the responsiveness of the unemployment rate to changes in productivity. The incentive power of the wage contracts is positively related to high productivity, low unemployment benefits and high search frictions.

Moen, Espen with Guido Menzio (2009) Worker Replacement

Abstract: We consider a frictional labor market in which firms want to insure their senior employees against income fluctuations and, at the same time, want to recruit new employees to fill their vacant positions. Firms can commit to a wage schedule, i.e. a schedule that specifies the wage paid by the firm to its employees as function of their tenure and other observables. However, firms cannot commit to the employment relationship with any of their workers, i.e. firms can dismiss workers at will. We find that, because of the firm's limited commitment, the optimal schedule prescribes not only a rigid wage for senior employees, but also a downward rigid wage for new hires. Moreover, we find that, while the rigidity of the wage of senior workers does not affect the allocation of labor, the rigidity of the wage of new hires magnifies the response of unemployment and vacancies to negative shocks to the aggregate productivity of labor.

Moene, Karl Ove (2009) The Moral sentiments of the Wealth of Nations

Abstract: Looking back, it is clear that Adam Smith has been kidnapped. It happened some time after his death when his writings were turned into an Employers' Gospel. Executed by right-wing economists and ideologists the kidnapping was, after a while, supported by the left. Both ends of the political spectrum now have a vested interest in maintaining his captivity. Clearly 'Wealth of Nations' is much more pro poor, pro labor, and pro majority than both conservatives and radicals are willing to see. Substantial parts of the book focus on how more equal labor incomes would induce higher and more equitable growth to the benefit of the majority. Smith resembles modern European social democrats who wish to establish a business friendly environment in order to raise the real incomes of the majority in society. Compared to most social democrats, however, he is less naive in his views of the motives of capital owners.

Moene, Karl Ove with Barth, Erling (2009) The Equality Multiplier.

Abstract: Equality can multiply due to complementarity between wage determination and welfare spending. A more equal wage distribution fuels welfare generosity via political competition. A more generous welfare state fuels wage equality via its support of weaker groups. Together the two effects generate a cumulative process that adds up to an important social multiplier. This mechanism explains how equally rich countries may differ in social equality and why countries cluster around different worlds of welfare capitalism. Empirically we identify a sizeable equality multiplier using a panel of 18 OECD countries and a 50 year time series from the US.

Moene, Karl Ove and Sørensen, Erik Ø. with Cappelen, Alexander, and Tungodden, Bertil (2009) Rich meets poor - an international fairness experiment.

Abstract: Why do people in rich countries not transfer more of their income to people in the world's poorest countries? To study this question and the relative importance of needs, entitlements, and nationality in people's social preferences, we conducted a real effort fairness experiment where people in two of the world's richest countries, Norway and Germany, interacted directly with people in Uganda and Tanzania, two of the world's poorest countries. In this experiment, the participants were given the opportunity to transfer money to poor persons with whom they were matched. The study provides four main findings. First, entitlement considerations are crucial in explaining the distributive behavior of rich people in the experiment; second, needs considerations matter a lot for some participants; third, the participants acted as moral cosmopolitans; and finally, the participants' choices are consistent with a self-serving bias in their social preferences.

Mogstad, Magne with Aaberge, R., Langørgen, A., and Østensen, M. (2009) The Impact of Local Government Spending and Geographic Cost of Living Differences on Poverty Estimates

Abstract: Despite a broad consensus on the need to account for the value of public services and geographical cost of living differences on the measurement of poverty, there is little reliable evidence on how these factors actually affect poverty estimates. Unlike the standard approach in studies of the distribution of public services, this paper employs a method for valuing sector-specific local public services that accounts for differences between municipalities in the costs and capacity to produce public services. Furthermore, recipient frequencies in various demographic groups are used as the basis for determining the allocation of the value of these services on citizens of the municipalities. Geographical differences in living costs are accounted for by using municipal housing price indices or by replacing the country-specific poverty line with municipal-specific poverty lines. Applying Norwegian register data for the period 1993-2001, we find that disregarding the value of local public services and geographic cost of living differences yields a misleading picture of poverty.

Mogstad, Magne and Rege, Mari, with Kalil, Ariel and Votruba, Mark (2009) Divorced Fathers' Proximity and Children's Long Run Outcomes: Evidence from Norwegian Registry Data

Abstract: This study examines the link between divorced nonresident fathers' proximity and children's long-run outcomes using high-quality data from Norwegian population registers. We follow (from birth to young adulthood) 15,992 children born into married households in Norway in the years 1975-1979 whose parents divorce during his or her childhood. We observe the proximity of the child to his or her father in each year following the divorce and link proximity to children's educational and economic outcomes in young adulthood, controlling for a wide range of observable characteristics of the parents and the child. Our results show that closer proximity to the father following a divorce has, on average, a modest negative association with offspring's young-adult outcomes. The negative associations are stronger among children of highly-educated fathers. Complementary Norwegian survey data show that highly-educated fathers report more post-divorce conflict with their ex-wives as well as more contact with their children (measured in terms of the number of nights that the child spends at the fathers' house). Consequently, the father's relocation to a more distant location following the divorce may shelter the child from disruptions in the structure of the child's life as they split time between households and/or from post-divorce interparental conflict.

Mogstad, Magne with Pronzato, Chiara (2009) Are Lone Mothers Responsive to Policy Changes: The Effects a Norwegian Workfare Reform on Earnings, Education, and Poverty.

Abstract: The generous Nordic model of welfare is commonly viewed as an exceptional success both in terms of equality and economic growth. However, it has recently become evident that subgroups of the population with weak labour market attachment and high welfare dependency, such as lone mothers, were vastly overrepresented among the poor. This motivated a workfare reform of the Norwegian welfare system for lone mothers; activity requirements were introduced, time limits imposed, and benefit levels raised. To evaluate the welfare reform we introduce an estimator that, unlike the much used difference-in-difference approach, accounts for the fact that policy changes are typically phased in gradually rather than coming into full effect at once. We find that the workfare reform did not only increase earnings and education as well as lower welfare caseloads and by this route ease the financial burden of the government, but also reduced poverty.

Mogstad, Magne, with Aaberge, Rolf (2009) Robust Inequality Comparisons

Abstract: This paper is concerned with the problem of ranking Lorenz curves in situations where the Lorenz curves intersect and no unambiguous ranking can be attained without introducing weaker ranking criteria than first-degree Lorenz dominance. To deal with such situations Aaberge (2009) introduced two alternative sequences of nested dominance criteria for Lorenz curves which was proved to characterize two separate systems of nested subfamilies of inequality measures. This paper uses the obtained characterization results to arrange the members of two different generalized Gini families of inequality measures into subfamilies according to their relationship to Lorenz dominance of various degrees. Since the various criteria of higher degree Lorenz dominance provide convenient computational methods, these results can be used to identify the largest subfamily of the generalized Gini families and thus the least restrictive social preferences required to reach unambiguous ranking of a set of Lorenz curves. From the weight-functions of these inequality measures we obtain intuitive interpretations of higher degree Lorenz dominance, which generally has been viewed as difficult to interpret because they involve assumptions about third and higher derivatives. To demonstrate the usefulness of these methods for empirical applications, we examine the time trend in income and earnings inequality of Norwegian males during the period 1967-2005.

Mogstad, Magne with Aaberge, Rolf and Peragine, Vitorocco (2009) Measuring Long-Term Inequality of Opportunity

Abstract: In this paper, we introduce and apply a general framework for evaluating long-term income distributions according to the Equality of Opportunity principle. Our framework allows for both an ex-ante and an ex-post approach to EOp. Our ex-post approach relies on a permanent income measure defined as the minimum annual expenditure an individual would need in order to be as well off as he could be by undertaking inter-period income transfers. There is long-term ex-post inequality of opportunity if individuals who exert the same effort have different permanent incomes. In comparison, the ex-ante approach focuses on the expected permanent income for individuals with identical circumstances. Hence, the ex-ante approach pays attention to inequalities in expected permanent income between different types of individuals. To demonstrate the empirical relevance of a long-run perspective on EOp, we exploit a unique panel data from Norway on individuals' incomes over their working lifespan.

Mogstad, Magne with Wiswall, Matthew (2009) Instrumental Variables Estimation with Partially Missing Instruments

Abstract: We examine instrumental variables estimation in situations where the instrument is only observed for a sub-sample, which is fairly common in empirical research. Typically, researchers simply limit the analysis to the sub-sample where the instrument is non-missing. We show that when the instrument is non-randomly missing, standard IV estimators require strong, auxiliary assumptions to be consistent. In many (quasi)natural experiments, the auxiliary assumptions are unlikely to hold. We therefore introduce alternative IV estimators that are robust to non-randomly missing instruments without auxiliary assumptions. A Monte-Carlo study illustrates our results.

Mogstad, Magne with Wiswall, Matthew (2009) How Linear Models Can Mask Non-Linear Causal Relationships: An Application to Family Size and Children's Outcomes.

Abstract: Many empirical studies specify outcomes as a linear function of endogenous regressors when conducting instrumental variable (IV) estimation. We show that commonly used tests for treatment effects, selection bias, and treatment effect heterogeneity are biased if the true relationship is non-linear. In particular, using linear models can only lead to under-rejection of the null hypothesis of no treatment effects. In light of these results, we re-examine the recent evidence suggesting that family size has no causal effect on children's education. Following common practice, a linear IV estimator has been used, assuming constant marginal effects of additional children across family sizes. We show that the conclusion of no causal effect of family size is an artifact of the specification of a linear model, which masks significant marginal family size effects. Estimating a model that is non-parametric in family size, we find that family size matters substantially for children's educational attainment, but in a non-monotonic way. Our findings illustrate that IV estimation of models which relax linearity restrictions is an important addition to empirical research, particularly when OLS estimation and theory suggests the possibility of non-linear causal effects.

Mogstad, Magne, with Aaberge, Rolf (2009) On the Definition and Measurement of Chronic Poverty.

Abstract: As an alternative to the conventional methods for measuring chronic poverty, this paper proposes an interpersonal comparable measure of permanent income as a basis for defining and measuring chronic poverty. This approach accounts for the fact that individuals regularly undertake inter-period income transfers. Moreover, the approach allows for individual-specific interest rates on borrowing and saving as well as for the presence of liquidity constraints. Due to the general nature the proposed method proves useful for evaluating the theoretical basis of the standard methods for measuring chronic poverty.

Mogstad, Magne (2009) Measuring Inequality under Restricted Interpersonal Comparability.

Abstract: The standard approach in empirical analyses of income distributions is to estimate income inequality in a country under the assumption of full interpersonal comparability of income. To be meaningful, this method requires that prices and qualities of goods as well as consumption habits are uniform across individuals in different regions of the country. In this paper, we pursue two alternative approaches to measure inequality under restricted interpersonal comparability of income. First, we estimate regional price indices, transform observed incomes into real incomes in an attempt to incorporate relevant non-income heterogeneity, and then aggregate across individuals. Second, we use the observed income data and account for non-income heterogeneity at the aggregation stage. Results based on a Norwegian register household panel data set indicates that both levels and trends in overall inequality as well as the inequality contributions of various income factors are robust to whether the income inequality analysis is based on the standard approach or the methods developed to cope with comparability problems within a country.

Nilssen, Tore; with Barros, Pedro P. and Hoernig, Steffen (2008): Keeping Both Eyes Wide Open: The Life of a Competition Authority Among Sectoral Regulators.

Abstract: Competition authorities must pay attention to many industries simultaneously. Sectoral regulators concentrate on their own industry. Often both types of authority may intervene in specific industries and there is an overlap of jurisdictions. We show how a competition authority's resource allocation is affected by its relationships with sectoral regulators and their biases. If agencies collaborate (compete), the competition authority spends more effort on the industry with the more (less) consumer-biased sectoral regulator. The competition authority spends budget increases on the

industry whose regulator reacts less to more effort. The socially optimal budget corrects for distortions due to regulatory bias, but only downwards.

Nilssen, Tore; with Fumagalli, Eileen (2008): Waiting To Merge.

Abstract: We set up a sequential merger to study a firm's incentives to pass up on an opportunity to merge with another firm. We find that such incentives may exist when there are efficiency gains from a merger, firms are of different sizes, there is an antitrust authority present to approve mergers, and there is sufficient alignment of interests between the antitrust authority and the firms. We point out three distinctive motives for not merging: the external-effect motive, the bargaining-power motive, and the pill-sweetening motive.

Nilssen, Tore; with Kind, Hans Jarle and Sørsgard, Lars (2008): Business Models for Media Firms: Does Competition Matter for How The Raise Revenue?

Abstract: The purpose of this article is to analyze how competitive forces may influence the way media firms like TV channels raise revenue. A media firm can either be financed by advertising revenue, by direct payment from the viewers (or the readers, if we consider newspapers), or by both. We show that the scope for raising revenues from consumer payment is constrained by other media firms offering close substitutes. This implies that the less differentiated the media firms' content, the larger is the fraction of their revenue coming from advertising. A media firm's scope for raising revenues from ads, on the other hand, is constrained by how many competitors it faces. We should thus expect that direct payment from the media consumers becomes more important the larger the number of competing media products.

Nilssen, Tore (2008): The Television Industry as a Market of Attention.

Abstract: In this article, I present an economist's perspective on the TV industry and view it as a so-called two-sided market, with advertisers on the one side benefiting from the presence of TV viewers and TV viewers on the other side having a dislike for advertising on TV. I use this framework to discuss the likely future development of pay TV, in particular how a future increase in competition in the TV industry will affect the prevalence of pay TV over advertising-financed TV.

Nilssen, Tore (2009): Risk externalities in a payments oligopoly.

Abstract: I discuss the role to be played by central banks in payments systems by way of an oligopoly model of a payments market where firms exert negative risk externalities upon each other. A central bank participating actively in this market is modelled as benign in two ways: exerting less externalities than other banks and maximizing welfare rather than profit. Because other banks react strategically to the central bank's presence due to its low externalities, there is a risk that it backfires, with these other banks' taking more risky positions than if the central bank were not there. The proper role of the central bank may actually be to stay out.

Nyborg, Karine (2008): I Don't Want to Hear About it: Rational Ignorance Among Duty-Oriented Consumers

Abstract: Individuals with a preference for keeping moral obligations may dislike learning that voluntary contributions are socially valuable: Such information can trigger unpleasant feelings of cognitive dissonance. I show that if initial beliefs about the social value of contributions are sufficiently low, duty-oriented consumers are willing to pay to avoid information. Attitude campaigns can increase contributions from such consumers by providing them with unwanted information. Consequentialist warm glow types with low initial beliefs, however, will seek low-cost information on their own initiative; thus, campaigns will have less effects for such consumers.

Nyborg, Karine with Carlsen, B. (2009): The Gate is Open: Primary Care Physicians as Social Security Gatekeepers

Abstract: Primary care physicians have two roles: the healer and the gatekeeper. We show that, due to information asymmetries, they cannot be expected to fulfill the latter role. Better gatekeepers will be poorer healers; hence all patients, both truly sick and shirkers, will strictly prefer physicians who give priority to healing. The choice between work and sick leave thus lies, essentially, with the patient. Interviews with Norwegian primary care physicians confirm this: Our interviewees report that shorter sick leaves are granted at request, while longer sick leaves are normally granted if the patient still prefer so after discussions with the physician.

Nyborg, Karine (2009): Will Green taxes Undermine Moral Motivation?

Abstract: Both psychologists and economists have shown that under certain circumstances, economic incentives seem to undermine intrinsic or moral motivation. If such crowding-out effects are sufficiently strong, the effect of green taxes might even be counterproductive and increase, rather than decrease, environmental problems. However, moral motivation can also be reinforced by economic incentives, a fact which has received surprisingly little attention in the literature. In particular, reciprocal preferences and conditional cooperation may cause green taxes to support, rather than undermine, individuals' moral motivation to contribute to a better environment.

Ognedal, Tone (2009): High taxes, shadow work and minimum wages.

Abstract: High taxes may lead to a large shadow sector, with inefficient use of labour. I show how minimum wages (either collectively negotiated wages or politically set) break the association between high taxes and a large shadow sector. The mechanisms are simple: Regular firms benefit from shadow labour by offering low wage jobs that can be combined with shadow work. A minimum wage reduces or even eliminates these benefits. Regular jobs that can be combined with shadow work are attractive when workers need some reported income to avoid detection. Low productive firms gain more than high productive firms from offering jobs that combine reported and non-reported work. As a result too much labour is allocated to low productive firms. Minimum wages reduce such distortions from the shadow sector and may even eliminate them altogether.

Raaum Oddbjørn, with Hægeland, Torbjørn, and Salvanes, Kjell G. (2009) Pennies from heaven? Using exogenous tax variation to identify effects of school resources on pupil achievement.

Abstract: Despite important policy implications associated with the allocation of education resources, evidence on the effectiveness of school inputs remains inconclusive. In part, this is due to endogenous allocation; families sort themselves non-randomly into school districts and school districts allocate money based in order to compensate (or reinforce) differences in child abilities, which leaves

estimates of school input effects likely to be biased. Using variation in education expenditures induced by the location of natural resources in Norway we examine the effect of school resources on pupil outcomes. We find that higher school expenditures, triggered by higher revenues from local taxes on hydropower plants, have a significantly positive effect on pupil performance at age 16. The positive IV estimates contrast with the standard cross-sectional estimates that reveal no effects of extra resources.

Rege, Mari with Telle, Kjetil and Votruba, Mark (2009) Parental Job Loss and Children's School Performance.

Abstract: Using Norwegian register data we estimate how children's school performance is affected by their parents' exposure to plant closure. Fathers' exposure leads to a substantial decline in children's graduation-year grade point average, but only in municipalities with mediocre-performing job markets. The negative effect does not appear to be driven by a reduction in father's income and employment, an increase in parental divorce, or the trauma of relocating. In contrast, mothers' exposure leads to improved school performance. Our findings appear to be consistent with sociological "role theories," with parents unable to fully shield their children from the stress caused by threats to the father's traditional role as breadwinner, and mothers responding to job loss by allocating greater attention towards child rearing.

Rege, Mari with Telle, Kjetil and Votruba, Mark (2009) The Effect of Plant Closure on Crime.

Abstract: We estimate the effect of exposure to plant closure on crime using an individual-level panel data set containing criminal charges for all unmarried and employed Norwegian men below the age of 40. Men originally employed in plants that subsequently closed are 14 percent more likely to be charged of a crime than comparable men in stable plants. There is no difference in charge rates prior to closure, supporting a causal interpretation of our result. Within crime categories, we find no effect of plant closure on property crime, perhaps because closure has a small and insignificant effect on subsequent earnings. We estimate an effect of plant closure on categories of non-acquisitive crime, suggesting a role for mental distress or idleness. A role for idleness is supported by evidence that the effects of plant closure on crime tend to be more pronounced for crimes committed during the week than on weekends.

Rege, Mari with Telle, Kjetil and Votruba, Mark (2009) Plant Closure and Marital Dissolution.

Abstract: We estimate the effect of plant closure on divorce using a panel data set comprising more than 80,000 married couples in Norway. Plant closure substantially increases the likelihood of marital dissolution of workers in affected plants. The marriages of husbands originally employed in plants that closed between 1995 and 2000 were 11 percent more likely to be dissolved by 2003 than comparable marriages of husbands in stable plants. Additional analyses suggest that the effect of plant closure on divorce is not due to unexpected reduction in earnings. The results are, however, consistent with role theories, in which the husband's attractiveness declines if he fails to fulfill a traditional role as a breadwinner.

Storesletten, Kjetil and Zilibotti, Fabrizio; with Hassler, John and Krusell, Per (2007): On the Optimal Timing of Capital Taxes.

Abstract: For many kinds of capital, depreciation rates change systematically with the age of the capital. Consider an example that captures essential aspects of human capital, both regarding its accumulation and its depreciation: a worker obtains knowledge in period 0, then uses this knowledge in production in periods 1 and 2, and thereafter retires. Here, depreciation accelerates: it occurs at a 100% rate after period 2, and at a lower (perhaps zero) rate before that. The present paper analyzes the implications of non-constant depreciation rates for the optimal timing of taxes on capital income. The main finding is that under natural assumptions, the path of tax rates over time must be oscillatory. Oscillatory tax rates are optimal when depreciation rates accelerate with the age of the capital (as in the above example), and provided that the government can commit to the path of future tax rates but cannot apply different tax rates in a given year to different vintages of capital.

Storesletten, Kjetil and Zilibotti, Fabrizio; with Song, Zheng (2007): Rotten Parents and Disciplined Children: A Politico-Economic Theory of Public Expenditure and Debt.

Abstract: This paper proposes a dynamic politico-economic theory of fiscal policy whose driving force is the intergenerational conflict over debt, taxes and public goods. Subsequent generations of voters choose fiscal policy through repeated elections. The presence of young voters induce quasi-geometric discounting, with a low short-run discount rate. This translates into a demand for fiscal discipline, i.e., low taxes and low debt accumulation. We characterize the Markov Perfect Equilibrium of the voting game. In spite of low altruism, the political equilibrium may converge to a stationary debt level which is bounded away from the endogenous debt limit. The equilibrium can reproduce a number of qualitative and quantitative features of fiscal policy in modern economies.

Sørensen, Erik; with Cappelen, Alexander W. and Tungodden, Bertil (2009): Responsibility for what? Fairness and individual responsibility.

Abstract: What should individuals be held responsible for? This is a fundamental question in much of the contemporary debate on distributive justice. Different fairness ideals, such as strict egalitarianism, and different versions of equal opportunity ethics and libertarianism give different answers to this question. In order to study the prevalence of these fairness ideals in society, we present the results from a dictator game where the distribution phase is preceded by a production phase. Each participant's contribution is a result of working time, productivity and price. We estimate what factors the participants hold each other responsible for and the weight they attach to fairness. In addition, we discuss how fairness preferences relate to business education and labour market experiences by comparing the estimates for business students at different stages of their education, and by comparing the estimates for final-year business students with the estimates for former business students with some years of work experience.

Sørensen, Erik; with Cappelen, Alexander W.; Hole, Astri Drange and Tungodden, Bertil (2009): The importance of moral reflection and self-reported data in a dictator game with production.

Abstract: This paper studies how individual behavior is affected by moral reflection in a dictator game with production, and the informational value of self-reported data on fairness. We find that making individuals reflect on fairness before they play the dictator game has a moderate effect on the weight attached to fairness in distributive choices, and a strong effect on what people consider fair. Furthermore, we find that self-reported data have substantial informational value, but still do not add explanatory power to a random utility model estimated on purely behavioral data. Finally, by studying

the behavior of individuals who deviate from their self-reported fairness ideal, we do not find much support for the hypothesis that people are self-serving in their choice of fairness ideal.

Sørensen, Erik; with Ferrall, Christopher and Salvanes, Kjell G. (2009): Wages And Seniority When Coworkers Matter: Estimating A Joint Production Economy Using Norwegian Administrative Data.

Abstract: We develop an equilibrium model of wages and estimate it using administrative data from Norway. Coworkers interact through a task-assignment model, and wages are determined through multi-lateral bargaining over the surplus that accrues to the workforce. Seniority affects wages through workplace output and relative bargaining power. These channels are separately identified by imposing equilibrium restrictions on data observing all workers within workplaces. We find joint production is important. Seniority affects bargaining power but is unproductive. We reinterpret gender and firm-size effects in wages in light of the rejection of linearly separable production.

Sørensen, Erik; with Cappelen, Alexander W.; Hole, Astri Drange and Tungodden, Bertil (2009): Modeling Individual Choices in Experiments: Reply to Conte and Moffatt.

Abstract: In a comment to Cappelen, Hole, S. Sørensen, and Tungodden (2007b), Conte and Moffatt (2009) challenge our use of a random utility model when studying individual choices in a fairness experiment. They propose an alternative approach, what we call the random behavioral model, and they show that the choice of modeling strategy has profound implications for our understanding of the observed behavior. In this note, we discuss how the two approaches differ, and we show that the random behavioral model of Conte and Moffatt (2009) fails to fit the data from our fairness experiment.

Sørensen, Erik; with Cappelen, Alexander W.; Konow, James and Tungodden, Bertil (2009): Just Luck: An Experimental Study of Risk Taking and Fairness.

Abstract: Choices involving risk significantly affect the distribution of income and wealth in society, but there is probably no more contentious question of justice than how to allocate the gains and losses that inevitably result from risky choices. This paper reports the results from the first experiment, to our knowledge, to study fairness views about risk-taking, where the main aim is to examine whether people's fairness considerations mainly focus on ex ante opportunities or ex post outcomes. The experiment was a two stage dictator game where the distribution phase was preceded by a risk-taking phase. Our analysis provides four main findings. First, we show that even though many participants focus exclusively on ex ante opportunities, the majority favors some redistribution ex post. Second, we find that, among the participants who redistribute ex post, a substantial share make a distinction between ex post inequalities that reflect differences in luck and ex post inequalities that reflect differences in choices. Third, we show that the appeal of the ex ante view is independent of how costly it is to avoid exposure to risk. Fourth, we find that the choices of stakeholders and impartial spectators reflect the same set of fairness considerations.

Torvik, Ragnar; with Claussen, Carl Andreas; Matsen, Egil; and Røisland, Øistein (2009): Overconfidence, Monetary Policy Committees and Chairman Dominance.

Abstract: We suggest that overconfidence among policymakers explains why formal decision power over monetary policy is given to committees, while much of the real power to set policy remains with central bank chairmen. Overconfidence implies that the chairman underweights advice from his staff,

increasing policy risk if he alone decides. A committee with decision power reduces this risk, because it induces moderation from the chairman. Overconfidence also yields disagreement and dissent in the committee, consistent with evidence from monetary policy committees. As the chairman is on average better informed, through his wider access to the staff, this would give him a suboptimal influence if policy is set through simple majority voting. Giving the chairman extra decision power, through e.g. agenda-setting rights, restores his influence. A monetary policy committee with a strong chairman balances the risks and influence distortions that occur if policymakers are overconfident.

Torvik, Ragnar; with Chacon, Mario and Robinson, James A. (2009): When is Democracy an Equilibrium?: Theory and Evidence from Colombia's La Violencia.

Abstract: The conventional wisdom in political science is that for a democracy to be consolidated, all groups must have a chance to attain power. If they do not then they will subvert democracy and choose to fight for power. In this paper we show that this wisdom is, if not totally incorrect, seriously incomplete. This is so because although the probability of winning an election increases with the size of a group, so does the probability of winning a fight. Thus in a situation where all groups have a high chance of winning an election, they may also have a high chance of winning a fight. Indeed, in a natural model, we show that democracy may never be consolidated in such a situation. Rather, democracy may only be stable when one group is dominant. We provide a test of a key aspect of our model using data from La Violencia, a political conflict in Colombia during the years 1946-1950 between the Liberal and Conservative parties. Consistent with our results, and contrary to the conventional wisdom, we show that fighting between the parties was more intense in municipalities where the support of the parties was more evenly balanced.

Torvik, Ragnar; with Robinson, James A. (2009): Endogenous Presidentialism.

Abstract: We develop a model to understand the incidence of presidential and parliamentary institutions. Our analysis is predicated on two ideas: first, that minorities are relatively powerful in a parliamentary system compared to a presidential system, and second, that presidents have more power with respect to their own coalition than prime ministers do. These assumptions imply that while presidentialism has separation of powers, it does not necessarily have more checks and balances than parliamentarism. We show that presidentialism implies greater rent extraction and lower provision of public goods than parliamentarism. Moreover, political leaders prefer presidentialism and they may be supported by their own coalition if they fear losing agenda setting power to another group. We argue that the model is consistent with a great deal of qualitative information about presidentialism in Africa and Latin America.

Ulltveit-Moe, Karen Helene; with Irarrazabal, Alfonso and Moxnes, Andreas (2009): Heterogeneous firms or heterogeneous workers? Implications for the exporter premium and the impact of labor reallocation on productivity.

Abstract: We expect trade liberalization to give rise to aggregate productivity gains, as the least efficient firms are forced out, and labor is reallocated towards the best performing firms. But the positive intra-industry reallocation effects rely on the stark assumption that exporters' superior performance is due to intrinsic firm efficiency. We investigate the importance of intrinsic firm efficiency relative to input quality as sources of exporters' productivity premium, employing a matched employer-employee data set for Norwegian manufacturing. Augmented measures of total factor productivity which take worker characteristics into account, indicate that up to 67 percent of the

exporter premium reflects differences in workforce rather than true efficiency. Simulating the labor dynamics proceeding firm exits, we illustrate that the benign impact on aggregate productivity from firm exits may be reduced because of worker reallocation.

Zilibotti, Fabrizio; with Acemoglu, Daron; Aghion, Philippe and Rachel Griffith (2009): Vertical Integration and Technology: Theory and Evidence.

Abstract: This paper investigates the determinants of vertical integration using data from the UK manufacturing sector. We find that the relationship between a downstream (producer) industry and an upstream (supplier) industry is more likely to be vertically integrated when the producing industry is more technology intensive and the supplying industry is less technology intensive. Moreover, both of these effects are stronger when the supplying industry accounts for a large fraction of the producer's costs. These results are generally robust and hold with alternative measures of technology intensity, with alternative estimation strategies, and with or without controlling for a number of firm and industry-level characteristics. They are consistent with the incomplete contract theories of the firm that emphasize both the potential costs and benefits of vertical integration in terms of investment incentives.

Zilibotti, Fabrizio; with Doepke, Matthias (2009): Do International Labor Standards Contribute to the Persistence of the Child Labor Problem?

Abstract: In recent years, a number of governments and consumer groups in rich countries have tried to discourage the use of child labor in poor countries through measures such as product boycotts and the imposition of international labor standards. The purported objective of such measures is to reduce the incidence of child labor in developing countries and thereby improve children's welfare. In this paper, we examine the effects of such policies from a political-economy perspective. We show that these types of international action on child labor tend to lower domestic political support within developing countries for banning child labor. Hence, international labor standards and product boycotts may delay the ultimate eradication of child labor.

Zilibotti, Fabrizio; with Doepke, Matthias (2007): Occupational Choice and The Spirit of Capitalism.

Abstract: The British Industrial Revolution triggered a socioeconomic transformation whereby the landowning aristocracy was replaced by industrial capitalists rising from the middle classes as the economically dominant group. We propose a theory of preference formation under financial market imperfections that can account for this pattern. Parents shape their children's preferences in response to economic incentives. Middle-class families in occupations requiring effort, skill, and experience develop patience and a work ethic, whereas upper-class families relying on rental income cultivate a refined taste for leisure. These class-specific attitudes, which are rooted in the nature of preindustrial professions, become key determinants of success once industrialization transforms the economic landscape.

Zilibotti, Fabrizio; with Acemoglu, Daron; Aghion, Philippe and Griffith, Rachel (2007): Vertical Integration and Technology: Theory and Evidence.

Abstract: This paper investigates the determinants of vertical integration. We first derive a number of predictions regarding the relationship between technology intensity and vertical integration from a simple incomplete contracts model. Then, we investigate these predictions using plant-level data for

the UK manufacturing sector. Most importantly, and consistent with theory, we find that the technology intensities of downstream (producer) and upstream (supplier) industries have opposite effects on the likelihood of vertical integration. Also consistent with theory, both these effects are stronger when the supplying industry accounts for a large fraction of the producer's costs. These results are generally robust and hold with alternative measures of technology intensity, with alternative estimation strategies, and with or without controlling for a number of firm and industry-level characteristics.

Zilibotti, Fabrizio; with Acemoglu, Daron; Aghion, Philippe; Lelarge, Claire and Van Reenen, John (2007): Technology, Information and the Decentralization of the firm.

Abstract: This paper analyzes the relationship between the diffusion of new technologies and the decentralization of firms. Centralized control relies on the information of the principal, which we equate with publicly available information. Decentralized control, on the other hand, delegates authority to a manager with superior information. However, the manager can use his informational advantage to make choices that are not in the best interest of the principal. As the available public information about the specific technology increases, the tradeoff shifts in favor of centralization. We show that firms closer to the technological frontier, firms in more heterogeneous environments, and younger firms are more likely to choose decentralization. Using three data sets on French and British firms in the 1990s, we report robust correlations consistent with these predictions.

Zilibotti, Fabrizio; with Aghion, Philippe; Burgess, Robin and Redding, Stephen (2007): The Unequal Effects of Liberalization: Evidence from Dismantling the License Raj in India.

Abstract: We study whether the effects on registered manufacturing output of dismantling the License Raj—a system of central controls regulating entry and production activity in this sector—vary across Indian states with different labor market regulations. The effects are found to be unequal across Indian states with different labor market regulations. In particular, following delicensing, industries located in states with pro-employer labor market institutions grew more quickly than those in pro-worker environments.

Zilibotti, Fabrizio (2007): Economic Possibilities for Our Grandchildren, 75 Years after: A Global Perspective.

Abstract: In the heart of the Great Crisis, amidst great uncertainty and concerns surrounding the future of capitalism, John Maynard Keynes launched his optimistic prophecy that growth and technological change would allow mankind to solve its economic problem within a century. He envisioned a world where people would work much less and be less oppressed by the satisfaction of material needs. To what extent have his predictions turned out to be accurate? This essays attempts to provide some answers.

Lectures, Presentations, etc.

2009-01: Almås, Ingvild; Conference presentation: "The Development of Inequality Acceptance". The Economic Child, Milano, Italia

2009-01: Almås, Ingvild; Fordelingsutvalget presentation: "Measuring unfair (in)equality",

Finansdepartementet, Oslo.

2009-02: Almås, Ingvild; Seminar Christian Michelsens institute: "International Income Inequalities: Measuring PPP bias by estimating Engel curves for food", Bergen.

2009-02: Almås, Ingvild; Department Seminar, University of Bergen, "International Income Inequalities: Measuring PPP bias by estimating Engel curves for food", Bergen.

2009-04: Almås, Ingvild; "Convergence? Cost of living indices for measuring World Inequality and Poverty", Workshop Davis, Davis, USA.

2009-05: Almås, Ingvild; "International Income Inequalities: Measuring PPP bias by estimating Engel curves for food", World Social Science Forum, Bergen.

2009-05: Almås, Ingvild; "Measuring unfair (in)equalities", Workshop Marseille., France.

2009-06: Almås, Ingvild; : "Measuring unfair (in)equality", Presentation, Skatteforum, Bergen.

2009-06: Almås, Ingvild; "The Development of Inequality Acceptance", presentation Workshop on varieties of income inequality, Workshop ESOP, Oslo.

2009-08: Almås, Ingvild; "Convergence? Cost of living indices for measuring World Inequality and Poverty", presentation Nordic Symposium of Macroeconomics, Smögen, Sweden.

2009-09: Almås, Ingvild; "Measuring unfair (in)equalities", presentation Nærings- og Handelsdepartementet, Son.

2009-09: Almås, Ingvild; "Older or Wealthier? The Impact of Age Adjustments on the Wealth Inequality Ranking of Countries". Cornell University, conference presentation at Inequality: New Directions.

2009-10: Almås, Ingvild; "Measuring unfair (in)equality", Whose Opportunities? A Critique of Equality, Conference presentation, Lisbon, Portugal.

2009-12: Almås, Ingvild; "International Income Inequality: Measuring PPP bias by estimating Engel curves for food". Conference on Growth and Development, ISI, Dehli, India.

2009-04-01; Asheim, Geir; Intergenerational Equity - Combining sensitivity for the interests of the present with respect for the interests of the future. University of California, Riverside.

2009-04-24 - 2009-04-25; Asheim, Geir; Strategic use of environmental information. Voluntary Approaches to Environmental Protection.

2009-05-01; Asheim, Geir; Procrastination, partial naivete and behavioral welfare analysis. University of California, Santa Barbara.

2009-05-18; Asheim, Geir; Generalized time-invariant overtaking. 9th International Meeting of Intergenerational Equity - Combining sensitivity for the interests of the present with respect for the interests of the future. University of California, San Diego.

2009-06-04 - 2009-06-06; Asheim, Geir; Strategic use of environmental information. CBE Conference on Behavioral Economics.

2009-06-18 - 2009-06-19; Asheim, Geir; Intergenerational Equity - Combining sensitivity for the interests of the present with respect for the interests of the future. 7th Toulouse Conference on Environmental and Resource Economics.

2009-06-22 - 2009-06-24; Asheim, Geir; Algorithms for cautious reasoning in games. Conference on Economic Design.

2009-07-20 - 2009-07-23; Asheim, Geir; Procrastination, partial naivete, and behavioral welfare analysis. Workshop on Behavioral Game Theory.

2009-08-23 - 2009-08-27; Asheim, Geir; Generalized time-invariant overtaking. 24th Annual Congress of the European Economic Association/ 64th European Meeting of the Econometric Society.

2009-10-28 - 2009-10-28; Aslaksen, Silje; Andersen, Jørgen Juel. Oil and Political Survival: The role of Institutions. Seminar Frischsenteret; UiO

2009-02-16 - 2009-02-16; Aslaksen, Silje. "The Resource Curse". Gjesteforeleser NHH; UiO

2009-12-09 - 2009-12-10; Aslaksen, Silje. Corruption and Oil: Evidence from Panel Data. 3rd OxCarre Annual Conference; UiO

2009-03-09; Barth, Erling; "The Equality Multiplier", Inequality Seminar, Kennedy School of Government, Harvard University

2009-06-08; Beyene, Berhe Mekonnen; How sensitive are Poverty Measures to the Choice of Equivalence Scale and Unit of Analysis? Evidence from Urban Ethiopia. ESOP Lunch Seminar.

25.06.2009 – 27.06.2009; Beyene, Berhe Mekonnen; : How sensitive are Poverty Measures to the Choice of Equivalence Scale and Unit of Analysis? Evidence from Urban Ethiopia. The Seventh International Annual Conference on the Ethiopian Economy.

Februar 2009; Bratsberg, Bernt; "Immigration and the Labor Market: Inflows, Integration, and Impacts," Norwegian Ministry of Labour and Social Inclusion.

Februar 2009; Bratsberg, Bernt; "Labor Market Research in Norway," Testimony for the OECD Review Team on the Labour Market Integration of Immigrants and Their Children,

April 2009; Bratsberg, Bernt; "Skills and labor market participation across time and space," Annual Frisch Centre Seminar, Staur, April 2009.

September 2009; Bratsberg, Bernt; "Wage Effects of Immigration: Lessons from Construction," FAFO Østforum.

November 2009; Bratsberg, Bernt; "Immigration and Wages: Evidence from Construction," ESOP, Department of Economics, University of Oslo, November 2009.

November 2009; Bratsberg, Bernt; "Immigration and Wages: Evidence from Construction," Norwegian School of Economics and Business Administration.

November 2009; Bratsberg, Bernt; "Arbeidsinnvandring og lønnsstruktur: Erfaringer fra bygg og anlegg," Norges forskningsråd, november 2009.

2009-09-03 – 2009-09-06; Brekke, Kjell Arne; "Playing with the Good Guys", Warwick, IAREP/SABE 2008 Conference at LUISS in Rome

2009-07-09; Brekke, Kjell Arne; "Conditionality of Cooperation and the impact on environmental norms" Workshop on: The Role of Social Norms in Building a Low Carbon Society, Warwick University

2009-08-23 – 2009-08-27; Brekke, Kjell Arne; "Playing with the Good Guys", EEA-ESEM 2009, Barcelona.

2009; Brekke, Kjell Arne; "Hvordan lønn og rettferdighet påvirker arbeidsmotivasjon". Invitert foredrag på OU-kurs for Forskerforbundets medlemmer i Statped: "Betydning av lønn, med fokus på lokal lønnspolitikk i relasjon til arbeidsmiljø og motivasjon."

2009-11-02; Børsum, Øystein; "Contagious mortgage default", ESOP Lunch Seminar, UiO

2009-06-15 - 2009-06-16; Christiansen, Vidar; Discussant on "Marginal Cost of Public Funds, Optimal Public Goods Provision and Second-best Policy Analysis", presented by Bas Jacobs, Workshop on Taxation, Public Provision and the Future of the Nordic Welfare Model, Organized by Empirical Labor Economics, Helsinki

2009-09-17; Clarhäll, Jenny; "Gender occupational segregation and wages " på workshop i forbindelse med kurs "Labour and the Family". Økonomisk institutt, UiO, Oslo.

2009-11-25; Clarhäll, Jenny; "Gender occupational segregation and wages ", Frischsenteret, Oslo.

2009-06-29 – 2009-06-30; Cools, Sara "Parenthood penalties and household specialization" på konferansen "II Workshop on Gender Economics" i Granada (Spania)

2009-02; Fiva, J. H. and G. J. Natvik, Do Re-election Probabilities Influence Public Investment?, NTNU.

2009-04-24 - 2009-04-26; Fiva, Jon H; Do Re-Election Probabilities Influence Public Investment?. CESifo Area Conference on Public Sector Economics; UiO

2009-10-30 - 2009-10-31; Fiva, Jon H; Do Re-election Probabilities Influence Public Investment?. WZB workshop on 'Reflections on Fiscal Federalism: Elaborating the Research Agenda; UiO

2009-06-04 - 2009-06-07; Fiva, Jon H; Do re-election probabilities influence public investment?. North American Summer Meeting of the Econometric Society; UiO

2009-10-02 - 2009-10-02; Fiva, Jon H; Do re-election probabilities influence public investment?. Department Seminar University of Barcelona; UiO

2009-11-13 - 2009-11-13; Fiva, Jon H; Do Re-election Probabilities Influence Public Investment?. Fredagsseminar Handelshøyskolen BI; UiO

2009-11-18 - 2009-11-20; Havnes, Tarjei; Is universal child care leveling the playing field? Evidence from non-linear difference-in-differences. Nordic research in the field of early childhood education and care: Quality and relevance for policymaking.

2009-11-25 - 2009-11-25; Havnes, Tarjei; Is universal child care leveling the playing field? Evidence from non-linear difference-in-differences. Forskningsseminar, SFI2.

2009-09-25 - 2009-09-25; Havnes, Tarjei; Is Universal Child Care Levelling the Playing Field? Evidence from Non-linear Difference-in-Differences. Research Seminar.

2009-09-10 - 2009-09-12; Havnes, Tarjei; Money for Nothing? Universal Child Care and Maternal Employment. EALE, Annual Meeting.

2009-06-15 - 2009-06-16; Havnes, Tarjei; Money for Nothing? Universal Child Care and Maternal Employment. Taxation, Public Provision and the Future of the Nordic Welfare Model.

2009-07-03 - 2009-07-05; Havnes, Tarjei; Money for Nothing? Universal Child Care and Maternal Employment. 15th Conference on Panel Data.

2009-08-23 - 2009-08-27; Havnes, Tarjei; Money for Nothing? Universal Child Care and Maternal Employment.. Econometric Society European Meeting.

2009-08-23 - 2009-08-27; Havnes, Tarjei; No Child Left Behind: Universal Child Care and Children's Long-run Outcomes. European Economic Association, Annual Meeting.

2009-03-12 - 2009-03-12; Havnes, Tarjei; No Child Left Behind: Universal Child Care and Children's Long-run Outcomes. Forskningsseminar.

2009-10-27 - 2009-10-27; Havnes, Tarjei; Social mobility and universal child care: Theory and evidence. Prøveforelesning for phd-graden i samfunnsøkonomi.

2009-01-05 - 2009-01-06; Havnes, Tarjei; The Irrelevance of Subsidized Child Care for Maternal Employment. Forskermøtet.

2009-06-17; Havnes, Tarjei; Is universal child care leveling the playing field? Evidence from non-linear difference-in-differences. Varieties of inequality.

2009-04-23 - 2009-09-25; Havnes, Tarjei; The Irrelevance of Subsidized Child Care for Maternal Employment. Spring Meeting of Young Economists.

2009-06-24 - 2009-06-27; Hoel, Michael Olaf. Bush meets Hotelling: Effects of improved renewable energy technology on greenhouse gas emissions. 17th Annual Conference of the European Association og Enviro; Amsterdam

2009-08-23 - 2009-08-27; Hoel, Michael Olaf. Bush meets Hotelling: Effects of improved renewable energy technology on greenhouse gas emissions. European Economic Association 2009 meeting; Barcelona

2009-10-09 - 2009-10-09; Hoel, Michael Olaf. Bør klimapolitikken være kostnadseffektiv?. Presentasjon på seminar på BI

2009-06-15 - 2009-06-15; Hoel, Michael Olaf. Can a focus on breakthrough technologies improve the performance of international environmental agreements?”. Coalitions for climate cooperation. A game-theoretical analysis of post 2012 climate policy; Fagmesse, FFEM og ETH, Venice

2009-10-16 - 2009-10-17; Hoel, Michael Olaf. Climate change and carbon tax expectations. CESifo area conference on energy and climate economics; Munchen

2009-06-16 - 2009-06-16; Hoel, Michael Olaf. Climate policy for the world and for the EU. Climate policy for the world and for the EU; University of Oldenburg

2009-03-12 - 2009-03-12; Hoel, Michael Olaf. Economic Analyses of the Climate Problem. Presentasjon for Arbeidsgruppen for Miljø og Økonomi, Nordisk Ministerråd

2009-01-16 - 2009-01-16; Hoel, Michael Olaf. Forberedt innlegg på seminar arrangert av SSB om utviklingen av prisen på CO2-kvoter. SSB: om utviklingen av prisen på CO2-kvoter

2009-11-10 - 2009-11-10; Hoel, Michael Olaf. Innlegg på ”Presentation av Swedish Economic Forum Report”. Entreprenørskap och innovationer för hållbar utveckling

2009-06-04 - 2009-06-04; Hoel, Michael Olaf. Klimapolitikk i en liten økonomi. Innlegg på Fagdagen; Finansdepartementet

2009-11-25 - 2009-11-25; Hoel, Michael Olaf. Kvoter, grønne sertifikater og andre klimapolitiske virkemidler. Gimle Rotary

2009-12-15 - 2009-12-15; Hoel, Michael Olaf. Kvoter, grønne sertifikater og andre klimapolitiske virkemidler". Foredrag for klima- og energiseksjonen i SFT samt kjernegruppen for KLIMAKUR2020

2009-09-01 - 2009-09-01; Hoel, Michael Olaf. Norwegian climate policy – some reflections. Presentasjon for OECD fact finding mission

2009-01-14; Holden, Steinar; Hva er god pengepolitikk?, Foredrag for finanskomiteen m.fl. ØI

2009-01-27; Holden, Steinar; ”Denmark, Sweden, the UK and EMU”, Pressekonferanse, SNS Stockholm

2009-01-28; Holden, Steinar; ”Denmark, Sweden, the UK and EMU”, Foredrag, SNS Stockholm

2009-01-29; Holden, Steinar; Finanskrisen og tiltakspakke. Foredrag for finanskomiteen, høring i Stortinget

2009-01-30; Holden, Steinar; Finanskrisen og finanspolitikk. Foredrag Sandvika videregående skole

2009-02-10; Holden, Steinar; Finanskrisen – årsaker og konsekvenser. Foredrag, Norske selskap

2009-02-12; Holden, Steinar; Renter og finanskrisen. Foredrag Aktuarforeningen, Holmenkollen Park

2009-02-26; Holden, Steinar; Innledning, Finanskrisen og ideologi, Oslo Høyres Ideologigruppe

2009-03-04; Holden, Steinar; Foredrag, Kan inntektsoppgjøret stimulere økonomien? Unios tariffkonferanse

2009-03-06; Holden, Steinar; Kommentar. Finanskrisen- kommentar til George Cooper, Civita

2009-03-12; Holden, Steinar; Foredrag. Finanskrisen – årsaker og konsekvenser. Pensjonistuniversitetet

2009-04-01; Holden, Steinar; Debattmøte, karrieredagene UiO

2009-04-23; Holden, Steinar; Foredrag polyteknisk forening Oslo, Finanskrisen – kan vi regulere oss ut av kommende kriser ?

2009-04-23; Holden, Steinar; Intervju om nobelprisvinner E Phelps, 23.4 Snøball-produksjonsselskap – sendes til høsten

2009-05-12; Holden, Steinar; Kommentar. Finanspolitiska rådets rapport.

2009-05-13; Holden, Steinar; Foredrag. Motkonjunkturpolitikk. Rådmannslandsmøtet

2009-05-28; Holden, Steinar; Trenger vi et nytt Solidaritetsalternativ? Foredrag. Finansdepartementet.

2009-06-17; Holden, Steinar; Foredrag. Hvordan kunne en hel verden ta feil? Finanskrisen. Kommuneøkonomikonferansen

2009-09-08; Holden, Steinar; Debattleder – debatt for studentene på SV-fakultetet om formueskatt

2009-09-09; Holden, Steinar; Foredrag. Finanskrisen og norsk økonomi. Finanskriseutvalget

2009-09-19; Holden, Steinar; Foredrag. Finanskrisen og norsk økonomi. Maskingrossistenes Landsforening

2009-12-08; Holden, Steinar; Foredrag. Lønn og arbeidsledighet, Finansdepartementet

2009-12-15; Holden, Steinar; Foredrag. Lønn og arbeidsledighet, Finansdepartementet

2009-12-22; Holden, Steinar; Foredrag. Lønn og arbeidsledighet, Finansdepartementet

2009-02-11; Holden, Steinar; Aggregate demand, investment and unemployment, presentasjon workshop, SOFI, Universitetet i Stockholm

2009-02-11; Holden, Steinar; kommentar til Anna Larsson Pattern bargaining, wage leadership and inflation targeting, SOFI, Universitetet i Stockholm

2009-02-23; Holden, Steinar; “Discrimination and employment protection”. ETH, Zurich

2009-03-02; Holden, Steinar; “Wage rigidity, institutions, and inflation”, Uppsala universitet

2009-03-18; Holden, Steinar; Discrimination and employment protection. BI.

2009-03-25; Holden, Steinar; Discrimination and employment protection, NHH, Geilo

2009-06-12; Holden, Steinar; kommentar til S. Cecchetti. Inflation forecast dispersion, Norges Bank

2009-09-18; Holden, Steinar; Discrimination and employment protection. Workshop. CEPR/IZA. München

2009-06-04; Kundu, Tapas; Resistance to outside investment: A rational model of surplus destruction. (presentation made by my co-author), Conference presentation at the North American summer meeting of the Econometric society in Boston.

2009-06-12; Kundu, Tapas; Resistance to outside investment: A rational model of surplus destruction, Invited presentation at the workshop ‘Market Evolution and Public Decision’, organized by European Center for Advanced Research in Economics and Statistics in Brussels, Belgium.

2009-06-18; Kundu, Tapas; Resistance to outside investment: A rational model of surplus destruction. Conference presentation at the Nordic conference on development economics, organized in Oscarborg, Norway.

2009-08-27; Kundu, Tapas; Monopoly pricing under a Medicaid-style most favored customer clause and its welfare implication. Conference presentation at the 24th Annual Congress of the European Economic Association in Barcelona.

2009-09-14; Kundu, Tapas; Resistance to outside investment: A rational model of surplus destruction, ESOP presentation.

2009-04-22 - 2009-04-23; Lind, Jo Thori; Presentasjon av “Miserly Developments.” Dinâmicas da Pobreza e Padrões de Acumulação Económica em Moçambique; Maputo, Mosambik

2009-01-05 - 2009-09-06; Lind, Jo Thori; Presentasjon av "Income, Information and the Extent of Redistribution." Forskermøtet for økonomer; Bergen,

2009-05-15 - 2009-05-16; Lind, Jo Thori; "Opium for the Masses? Conflict-induced narcotics production in Afghanistan." The 5th SFB/TR15 workshop for young researchers; Berlin, Tyskland. Invitert presentasjon.

2009-06-17 - 2009-06-17; Presentasjon av "Income, information, and redistribution." Lind, Jo Thori; ESOP workshop "Varieties of inequality"; Oslo.

2009-11-13 - 2009-11-13; Lind, Jo Thori; Den skandinaviske modellen og rekruttering til høyere utdanning. Lektorlagets landsmøte;

2009-06-11; Lind, Jo Thori; A Critical View on the Use of Indicators for Labour Relations in the Doing Business-Report. Development with Responsibility and Accountability: A Dialogue with the World Bank Group; NORAD, Oslo

2009-04-28; Lind, Jo Thori; Gnierindeksen. Presentasjon på Norges ambassade, Maputo, Mosambik

2009-03-05; Lind, Jo Thori; Gniene land. Forelesning på Åpen dag, UiO

2009-11-13 - 2009-11-13; Mehlum, Halvor. Presentation of ESOP for Japanese delegation; UiO

2009-11-25 - 2009-11-25; Mehlum, Halvor. Presentasjon av ESOP; UiO

2009-11-11 - 2009-11-11; Mehlum, Halvor. Om finanskrisen. Foredrag om finanskrisen for Valler gymnas; UiO

2009-02-03 - 2009-02-03; Mehlum, Halvor.
Finanskrisen. Foredrag om finanskrisen;UiO

2009-03-05 - 2009-03-05; Mehlum, Halvor. Finanskrisen og internasjonal økonomi. Foredrag ved Åpen dag; UiO

2009-04; Modalsli, Jørgen; "Factor-augmenting technical change and the British Industrial Revolution" (with J. Ancorena) Business and Economics Historical Conference, Grand Rapids, Michigan

2009-04; Modalsli, Jørgen; "Factor-augmenting technical change and the British Industrial Revolution" (with J. Ancorena) Macro student lunch seminar, New York University

2009-07; Moen, Espen; "Worker matching and firm value" Society for economic Dynamics (SED), Istanbul.

6. februar 2009; Moene, Kalle; Foredrag: "Varige konsekvenser av finanskrisen" på Tim Greves Symposium, Jærløya.

6. februar 2009; Moene, Kalle; Presentasjon: "Rettferdighet og økonomisk teori" på Culcoms workshop, Oslo.

9.februar 2009; Moene, Kalle; "Evolusjon og økonomiske kriser". Nrk radio.

18.februar 2009; Moene, Kalle; Foredrag: "Nordiske modellen", på UD's aspirantkurs, Oslo.

4. mars 2009; Moene, Kalle; Presentasjon: "Conflict and Opium Cultivation in Afghanistan", Univ. of Namur.

18. mars 2009; Moene, Kalle; Foredrag: "Velferdsstaten". Studentersamfunnets fagdebatt. Oslo.

25. mars 2009; Moene, Kalle; "Den skandinaviske modellen og økonomisk ulikhet". Presentasjon for det offentlig oppnevnte Ulikhetsutvalget. Oslo

28. april 2009; Moene, Kalle; "Hva vil Norge med IMF". Presentasjon på debattmøte om IMF, Bristol. Oslo

29. april 2009; Moene, Kalle; "Amartya Sen og Finanskrisen". Opptak til verdibørsen Nrk P2.

9. mai 2009; Moene, Kalle; "Equality and Development." Presentasjon på World Social Science Forum i Bergen:

14. mai 2009; Moene, Kalle; " Darwin og økonomene". Presentasjon på Forskningsrådets møte.

2. juni 2009; Moene, Kalle; " Den nordiske modellen og konkurransepolitikken". Foredrag: Konkurransetilsynets konferanse i Bergen.

8. juni 2009; Moene, Kalle; " Finanskrisen og utviklingslandene". Foredrag: Petrosams konferanse, Oslo.

11. juni 2009; Moene, Kalle; "Misplaced Emphasis, Misplaced Sympathy, and Misplaced Methodology ---Development studies on trial". Foredrag: CMI and UiBs utviklingskonferanse.

17-18. juni 2009; Moene, Kalle; "Equality Multiplier". Presentasjon på ESOPs workshop.

25.juni 2009; Moene, Kalle; " Finanskrisen, fattigdom og utvikling." Foredrag: Norsk Folkehjelps seminar.

27.august 2009; Moene, Kalle; "Økonomisk krise og krise i økonomisk teori". Foredrag: Synnørgates konferanse, Oslo.

28-29 august 2009; Moene, Kalle; "The moral sentiments of the Wealth of Nations". Presentasjon; CSNM and ESOPs konferanse om Adam Smith, UiO.

22.september 2009; Moene, Kalle; " Den nordiske modellen." Foredrag: Etikkseminaret, NTNU.

23.sep2009; Moene, Kalle; "Likhet, institusjoner og økonomisk adferd". Presentasjon:, kriminologi og juss, UiO.

26.september 2009; Moene, Kalle; "Hva er god bistand?" Foredrag, Debattmøte om utviklingshjelp, Radikalt økonomisk nettverk.

20.oktober 2009 "New Deal, eller stø kurs – hva har Norge lært av finanskrisen?" Innledning på debattmøte om økonomisk teori. Polyteknisk forening, Litteraturhuset.

10.november 2009; Moene, Kalle; "The Welfarestate and Financial Crisis". Presentasjon:, ESOPs seminar om Norden.

24.november 2009; Moene, Kalle; "Equality and growth". Presentasjon: University of Paris, Paris.

1.desember 2009; Moene, Kalle; " Keynes, finansielle kriser og velferdsstaten." Foredrag: Nordisk Administrativt forbund, Oslo

16.desember 2009; Moene, Kalle; "The equality multiplier". Presentasjon: conference, Indian Statistical Institute, New Dehli.

2009-12; Mogstad, Magne; Instrumental Variables Estimation with Partially Missing Instruments, ESOP Seminar, University of Oslo,December.

2009-11; Mogstad, Magne; Is Universal Child Care Levelling the Playing Field? Evidence from Non-Linear Difference-in-Differences, Seminar, DIW, Berlin November.

2009-11; Mogstad, Magne; Is Universal Child Care Levelling the Playing Field? Evidence from Non-Linear Difference-in-Differences, IFAU, University of Uppsala, November.

2009-11; Mogstad, Magne; Is Universal Child Care Levelling the Playing Field? Evidence from Non-Linear Difference-in-Differences, Seminar, University of Bergen, Dept. of Economics, November

2009-09; Mogstad, Magne; On the Measurement of Long-run Inequality and Income Mobility, Workshop on Inequality, Cornell University, September

2009-09; Mogstad, Magne; Is Universal Child Care Levelling the Playing Field? Evidence from Non-Linear Difference-in-Differences, Research Seminar, New York University, September.

2009-08; Mogstad, Magne; Is Universal Child Care Levelling the Playing Field? Evidence from Non-Linear Difference-in-Differences, Workshop on Family Economics, Svolvær. August

2009-06; Mogstad, Magne; No Child Left Behind: Universal Child Care and Children's Long-run Outcomes, CEPR Workshop on Families and Child Development, Univ. of Stavanger, June

2009-06; Mogstad, Magne; Money for Nothing? Universal Child Care and Maternal Employment, Workshop on the Nordic Welfare Model, Helsinki, June

2009-06; Mogstad, Magne; On the Measurement of Long-run Inequality and Income Mobility, Workshop on Inequality, University of Oslo, June

2009-02; Mogstad, Magne; Family Size and Children's Education: How Linear Models can Mask a Non-Linear Causal Relationship, ESOP Seminar, University of Oslo, February

2009-02; Mogstad, Magne; Family Size and Children's Education: How Linear Models can Mask a Non-Linear Causal Relationship, ESOP Seminar, University of Oslo, February

2009-02; Mogstad, Magne; Family Size and Children's Education: How Linear Models can Mask a Non-Linear Causal Relationship, Research Seminar, Norwegian School of Economics and Business Administration, February

2009-01; Mogstad, Magne; Family Size and Children's Education: How Linear Models can Mask a Non-Linear Causal Relationship, Research Seminar, Annual Meeting of Norwegian Economists, January

2009-10-23 - 2009-10-24; Nilssen, Tore; Dynamic win effects in sequential contests; Workshop on Inequalities in Contests, ESOP, Oslo

2009-12-09; Nilssen, Tore og Nævdal, Erik; Green entry, Frischseminaret, Frischsenteret, Oslo

2009-04-24 - 2009-04-25; Nyborg, Karine; "I Don't Want to Hear About it: Rational Ignorance among Duty-Oriented Consumers", Workshop on Voluntary Approaches to Environmental Protection, Donald Bren School of Environmental Science and Management, UCLA, Santa Barbara

2009-05-04 ; Nyborg, Karine; "The Gate is Open: Primary Care Physicians as Social Security Gatekeepers." ESOP seminar, UiO

2009-05-08 - 2009-05-09; Nyborg, Karine; "The Gate is Open: Primary Care Physicians as Social Security Gatekeepers." HERO/HEBs workshop i helseøkonomi, Lysebu

2009-06-24 – 2009-06-27; Nyborg, Karine; "Playing with the Good Guys: a Public Good Game with Endogenous Group Formation", 17th Annual Conference of the European Association of Environmental and Resource Economists, Amsterdam

2009-09-18 ; Nyborg, Karine; "Playing with the Good Guys: a Public Good Game with Endogenous Group Formation", Institutt for økonomi, Universitetet i Bergen

2009-12-16 ; Nyborg, Karine (med Tao Zhang); Samfunnsansvar og lønn. Frischsenteret

2009-02-06 ; Nyborg, Karine; "Står Homo Oeconomicus for fall? Nye perspektiver på økonomisk atferd", Samfunnsøkonomenes forenings kandidattreff, Bristol, Oslo

2009-02-25 ; Nyborg, Karine; "Undergraver miljøavgifter moralsk motivasjon?" Faglunsj i Miljøverndepartementet.

2009-03-05 ; Nyborg, Karine; ”Penger er ikke alt: Bedrifiers samfunnsansvar som rekrutterings- og motivasjonstiltak”, Åpen dag, Økonomisk institutt, UiO

2009-04-28 ; Nyborg, Karine; ”Penger er ikke alt: Bedrifiers samfunnsansvar som rekrutterings- og motivasjonstiltak”, Foredrag for klasse fra Askim vgs. Økonomisk institutt, UiO.

2009-05-12 ; Nyborg, Karine; ”Anstendighetens økonomi”. Tiltredelsesforelesning, UiO

2009-06-16 ; Nyborg, Karine; “Homo Oeconomicus versus Homo Politicus”. Foredrag på symposium i anledning Aanund Hyllands 60årsdag, Nobelinstituttet, Oslo

2009-12-10 ; Nyborg, Karine; “Porten er åpen – om fastlegenes portvaktrolle”. Velferdspolitisk avdeling, AID

2009-09; Rege, Mari; Blir vi syke av å miste jobben?, Konferanse NFR September 2009

2009-06; Rege, Mari; Home with Mom: The effects of Stay-at-Home Moms on Childrens Long-Run Educational Outcomes. Workshop Universitet i Stavanger

2009-04; Rege, Mari; Finanskrisen og nedbemanning - kvinner takler det bedre enn menn. Stavanger/Skagenfondene

2009-04; Rege, Mari; Finanskrisen og nedbemanning - kvinner takler det bedre enn menn. Bergen/Skagenfondene

2009-03; Rege, Mari; Divorced fathers`proximity and children`s long run outcomes. ESOP Universitetet i Oslo

2009-07; Rosén, Åsa; Discrimination and Employment Protection, Meeting of the Society for Economic Dynamics, Istanbul

2009-09; Rosén, Åsa; Discrimination and Employment Protection, Meeting of the European Association of Labour Economics, Tallin

6. februar 2009; Røed, Knut; Hvorfor heller syk enn på jobb? Foredrag på stabsseminar Institutt for Samfunnsforskning, Oslo.

26. mars 2009; Røed, Knut; The Anatomy of Absenteeism. Presentasjon på SOFI, Stockholm.

24. april 2009; Røed, Knut; The Anatomy of Absenteeism. Presentasjon på Ruhrgas-konferansen “Demographic Change and Public Policy”, Dresden, Tyskland.

24. februar 2009; Røed, Knut; Arbeidsmarkedspolitikken virkninger - empiriske funn og metodiske utfordringer. Foredrag på avslutningskonferanse for det strategiske instituttprogrammet for arbeidsmarkeds- og trygdeforskning (arrangert av AID, Oslo).

20. mars 2009; Røed, Knut; Tjenestepensjoner i offentlig sektor. Innledning i ”Pensjonsforum”, FAFO, Oslo.

16. april 2009; Røed, Knut; 2/3 av sluttlønn i pensjon - for godt til å vare? Kan pensjonsordningene i offentlig sektor forenes med pensjonsreformen? Foredrag på medlemsmøte i NTL, Utenriksdepartementet.

31. august 2009; Røed, Knut; Økonomisk krise – Konsekvenser for velferdspolitikken rettet mot utsatte grupper og migrasjonen. Hva vet vi, hva har utviklingen det siste året lært oss? Foredrag på AID's virksomhetslederkonferanse, Oslo.

11. september 2009; Røed, Knut; Virker arbeidsmarkedspolitikken? Foredrag holdt i forbindelse med markering av Tor Sagli's 60-års dag, Arbeids- og velferdsdirektoratet, Oslo.

22. september 2009; Røed, Knut; Entreprenørskap i Norge. Foredrag på Forskningsrådets vekstforsknings-seminar, Oslo.

16. november 2009; Røed, Knut; Hvordan virker økonomiske insentiver inn på deltakelsen i arbeidslivet? Innledning på konferanse i arbeidslivsforskningsprogrammet, Oslo.

2. desember 2009; Røed, Knut; De første arbeidsinnvandrerne og velferdsstaten. Hva kan vi lære av historien? Foredrag for referansegruppe for Brochman-utvalget, Oslo.

9. desember 2009; Røed, Knut; Økonomisk nedgangstid, sykefravær og uførhet. Foredrag for ansatte ved Statens arbeidsmiljøinstitutt (STAMI), Oslo.

2009-03-23; Storesletten, Kjetil; "Growing Like China", University of Venezia

2009-03-24; Storesletten, Kjetil; "Growing Like China", London Business School

2009-04-20; Storesletten, Kjetil; "Growing Like China", University of Cambridge

2009-06-16; Storesletten, Kjetil; "Growing Like China", London School of Economics

2009-07-06; Storesletten, Kjetil; "Growing Like China", Tsinghua University (Beijing)

2009-07-29; Storesletten, Kjetil; "Growing Like China", Minnesota Workshop in Macroeconomic Theory (Minneapolis)

2009-09-21; Storesletten, Kjetil; "Growing Like China", University of Rochester

2009-09-22; Storesletten, Kjetil; "Growing Like China", Yale University

2009-10-15; Storesletten, Kjetil; "Growing Like China", Federal Reserve Bank of Saint Louis

2009-11-10; Storesletten, Kjetil; "Growing Like China", MIT

2009-12-08; Storesletten, Kjetil; "Growing Like China", Wharton

2009-12-03; Storesletten, Kjetil; "Rotten Parents and Disciplined Children: A Politico-Economic Theory of Public Expenditure and Debt": Federal Reserve Bank of Minneapolis

2009-06-02; Storesletten, Kjetil; "Rotten Parents and Disciplined Children: A Politico-Economic Theory of Public Expenditure and Debt": IIES (Stockholm University)

2009-06-18; Storesletten, Kjetil; "Rotten Parents and Disciplined Children: A Politico-Economic Theory of Public Expenditure and Debt": University of Copenhagen

2009-07-03; Storesletten, Kjetil; "Rotten Parents and Disciplined Children: A Politico-Economic Theory of Public Expenditure and Debt": Society for Economic Dynamics Annual Meeting (Istanbul)

2009-05-18; Storesletten, Kjetil; Åpningsforedrag "Den Nordiske Modellen": REASSESS konferanse (Oslo),

2009-01-22; Storesletten, Kjetil; Foredrag "Rikdommens dilemma", Nittedal Rotary

2009-06-11; Storesletten, Kjetil; Foredrag "Rikdommens dilemma", Finansdepartementet (Skattepolitisk avd.)

2009-01; Sørensen, Erik; Reflections on apples and oranges", Forskermøtet, Bergen

2009-06; Sørensen, Erik; "Wages And Seniority When Coworkers Matter", 4th Nordic Summer Institute in Labor Economics, Bergen

2009-10; Sørensen, Erik; Modeling Individual Choices in Experiment, 4th Nordic Conference on Behavioral and Experimental Economics, Oslo

2009-02; Sørensen, Erik; "Kunnskapssamfunnet og arbeidslivet". Grunnlaget for ny vekst (akademikernes lønnspolitiske konferanse). Prize acceptance talk.

2009-11-18; Ulltveit-Moe, Karen Helene. Bevaringsverdig? Omstilling og vekst i krisetider. Høstkonferansen 2009

2009-09-01; Ulltveit-Moe, Karen Helene. En gjentakelse av 30-årene, eller har vi lært?. Aulaforum; Justivalens faggruppe i samarbeid med Advokatfirmaet BA-HR

2009-05-27; Ulltveit-Moe, Karen Helene. Hva sviktet? Lærdommer for politikk og regulering. Vårkonferansen 2009

2009-05-25; Ulltveit-Moe, Karen Helene. Live and let die – næringspolitikk i en globalisert verden. Nordic Venture Capital Annual Conference

2009-06-01 - 2009-06-03; Ulltveit-Moe, Karen Helene. Manufacturing restructuring and the role of real exchange rate shocks. European Research Workshop in International Trade; Center for Economic Policy Research, Madrid

2009-12-04 - 2009-12-04 ; Ulltveit-Moe, Karen Helene. Manufacturing restructuring and the role of real exchange rate shocks. External adjustment: the macroeconomic and microeconomic dimensions; European Commission, Brussel

2009-01-29; Ulltveit-Moe, Karen Helene. Regjeringens tiltakspakke 2009: Kommentarer. Stortingets Finanskomite

2009-09-17; Ulltveit-Moe, Karen Helene. Råvarelykke! Hvorfor det ikke er flaut å leve av naturressurser. Departementenes seminarserie

2009-03-25; Ulltveit-Moe, Karen Helene. Skattereformen 2006: Hva trengte vi og hva fikk vi?. Skattebetalerforeningens årsmiddag; Skattebetalerforeningens årsmiddag

2009-08-24; Willumsen, Fredrik; “Opium for the masses? Conflict-induced narcotics production in Afghanistan”, 24th Congress of the European Economic Association (EEA), Barcelona.

2009-02-24; Willumsen, Fredrik; “Opium for the masses? Conflict-induced narcotics production in Afghanistan”, Norwegian University of Science and Technology (NTNU), Trondheim.

2009-01; Zilibotti, Fabrizio; Fudan University, six Invited Lectures on Economic Growth

2009-01-16; Zilibotti, Fabrizio; “Growing like China”, Seminar at CERGE-EI, Prague

2009-02-09; Zilibotti, Fabrizio; “Growing like China”, Seminar IMT Lucca

2009-03-06 - 2009-03-07; Zilibotti, Fabrizio; “Growing like China”, Forth Annual Workshop on Global Interdependence, Florence

2009-04-06; Zilibotti, Fabrizio; “Growing like China”, Seminar at University of Bocconi

2009-04-04; Zilibotti, Fabrizio; “Corporate social rules”, Seminar Avenir Suisse, “Quale etica nel libero mercato?”

2009-05-22 - 2009-05-23; Zilibotti, Fabrizio; “Rotten Parents and Disciplined Children: A Politico-Economic Theory of Public Expenditure and Debt”, Workshop on Incentives, Efficiency, and Redistribution in Public Economics, Bonn

2009-05-28 - 2009-05-30; Zilibotti, Fabrizio; “Growing like China”, Key note lecture, Conference on Macroeconomic Analysis and International Finance at the University Campus of the University of Crete in Rethymno.

2009-05-29 – 2009-06-01; Zilibotti, Fabrizio; “Come Recuperare il Terreno Perduto”, Quarto Festival dell’Economia, Trento,

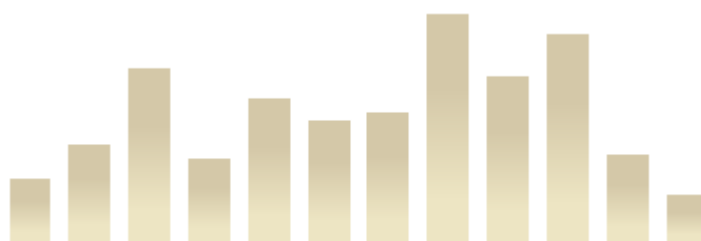
2009-06-25; Zilibotti, Fabrizio; “Growing like China”, Joint Vienna Macroeconomics Seminar Academic Year 2009 Organized jointly with the Joint Vienna Institute, HSII

2009-07-06 - 2009-07-08; Zilibotti, Fabrizio; “Rotten Parents and Disciplined Children: A Political-Economic Theory of Public Expenditure and Debt”, Tsinghua Workshop in Macroeconomics 2009

2009-08-05 - 2009-08-08; Zilibotti, Fabrizio; “Dynamic Fiscal Policy and Pension Systems” Keynote Lecture 3rd Nordic Summer Symposium in Macroeconomics, Smögen, Sweden

2009-08-23 - 2009-08-27; Zilibotti, Fabrizio; “Growing like China”, Annual Congress of the European Economic Association

2009-11-11; Zilibotti, Fabrizio; “Growing like China”, Research Seminar of the Department of Economics at the University of St.Gallen



Selected Media contributions

21.01.2009, Andresen, Nils August "Ekstremt moderat", *Klassekampen*.

2009-07-17, Tarjei Havnes, Magne Mogstad, Mari Rege og Ådne Cappelen; "Ukritisk kritisk om barnehager". VG

2009, Hoel, Michael Olaf. "Klimatiltak med null virkning". *Dagens næringsliv*

2009, Hoel, Michael Olaf. "Kvoter og andre virkemidler". *Dagens næringsliv*

2009, Hoel, Michael Olaf; Bye, Torstein. "Tvil som klimaeffekt av subsidiert energy." *E24*

2009-10-22, Holden, Steinar, "Er handlingsregelen død?", *Aftenposten*.

2009-10-15, Holden, Steinar, "Nye seierherrer". *Dagsavisen*

2009-03-06, Holden, Steinar, "Mer misvisende om skift og turnus". Innlegg i *Dagens Næringsliv*

25.02.2009, Holden, Steinar, "Misvisende og skift/turnus". Innlegg i *Dagens Næringsliv*.

2009-02-10, Holden, Steinar, "Hegnar feilinformerer". *Finansavisen*

07.02.2009, Holden, Steinar, "Kortslutning om lønnsoppgjør." *Finansavisen*

2009-02-06, Holden, Steinar, "Finanskrisen og lønnsoppgjør". Kronikk i *Dagens Næringsliv*

2009-01-07, Holden, Steinar, Espen Moen "Se opp for likviditetsfellen!". Kronikk i *Dagens Næringsliv*

2009, Lind, Jo Thori; "Tvil på sparegrupper", *E24.no*

2009, Lind, Jo Thori; "Afghanistans opiumsøkonomi", *E24.no*

2009, Lind, Jo Thori; "Folket vil spille bort Oljefondet." *E24.no*

2009-11-28, Moene, Kalle; "Demokratiske bedrifter", kronikk i *Dagens Næringsliv*.

2009-10-24, Moene, Kalle; "Fordelingen av oljeinntektene", kronikk i *Dagens Næringsliv*.

2009-10-16, Moene, Kalle; "Psykologi og økonomi", kronikk i *Dagsavisen*.

2009-10-13, Moene, Kalle; "Befriende prisvinnere", kronikk i *Dagens Næringsliv*.

2009-09-19, Moene, Kalle; "Falske forestillinger", kronikk i *Dagens Næringsliv*.

05.08.2009, Moene, Kalle; "Adam Smith i 250", kronikk i *Dagens Næringsliv*.

2009-07-11, Moene, Kalle; "Monopol og marked", kronikk i *Dagens Næringsliv*.

06.06.2009, Moene, Kalle; "Maktens jernlov", kronikk i *Dagens Næringsliv*.

2009-05-02, Moene, Kalle; "Selskapspirater", kronikk i *Dagens Næringsliv*.

2009-03-28, Moene, Kalle; "Når Sparemaskinene streiker", kronikk i *Dagens Næringsliv*.

2009-02-21, Moene, Kalle; "Evolusjon og økonomi", kronikk i *Dagens Næringsliv*.

2009-01-17, Moene, Kalle; "Den synlige hånd", kronikk i *Dagens Næringsliv*.

2009-03-20, Nilssen, Tore, Hans Jarle Kind, Lars Sørgard, "Hvordan skal avisene tjene penger?" (kronikk), *Dagens Næringsliv*.

2009-05-11, Nilssen, Tore, "Steng tunnelene" (kronikk), *Dagens Næringsliv*.

2009-10-31, Nyborg, Karine, "Kom til oss, Arne Strand!", *Dagsavisen*.

2009-11-23, Nyborg, Karine and Carlsen, B; "Porten er åpen". *Dagens Næringsliv*.

2009-08-28, Rege, Mari; "Krisetid gir bedre helse", *Aftenposten*.

2009-08-30, Rege, Mari; "Krisetid gir bedre helse", *Stavanger Aftenblad*

2009-05-29, Rege, Mari; "Gi gratis barnehage og avskaff kontantstøtten", *Aftenposten*.

2009-06-01, Rege, Mari; "Gi gratis barnehage og avskaff kontantstøtten", *Stavanger Aftenblad*.

2009-03-27, Rege, Mari; "Ung og ikke så lovende", *Aftenposten*.

2009-03-29, Rege, Mari; "Ung og ikke så lovende", *Stavanger Aftenblad*.

2009-02-27, Rege, Mari; "Mer kriminalitet i krisetider", *Aftenposten*.

2009-03-01, Rege, Mari; "Mer kriminalitet i krisetider", *Stavanger Aftenblad*.

2009, Storesletten, Kjetil; *Aftenposten* kronikker (under spalten "Ukeslutt"),

2009-12-04, Storesletten, Kjetil; "Den billigste oljen først", *Aftenposten* kronikk.

2009-10-30, Storesletten, Kjetil; "Makrofagets fremtid ", *Aftenposten* kronikk.

2009-09-11, Storesletten, Kjetil; "Bør Handlingsregelen dø?", *Aftenposten* kronikk.

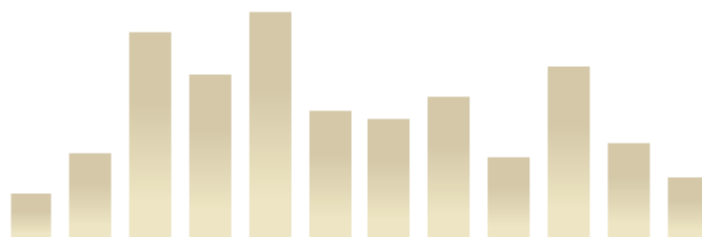
2009-06-12, Storesletten, Kjetil; "Er statlig innblanding et onde?", *Aftenposten* kronikk.

2009-04-24, Storesletten, Kjetil; "Slipp universitetene fri", *Aftenposten* kronikk.

2009-02-05, Storesletten, Kjetil; "Løsning: Utsett skatten", *Aftenposten* kronikk.

2009-01-09, Storesletten, Kjetil; "Statlig redningsbøye", *Aftenposten* kronikk.

2009-11-11, Zilibotti, Fabrizio; Doepke, Matthias; (2009): "Kauft T-Shirts aus Kinderhand", *Frankfurter Allgemeine Sonntagszeitung*, Nr.47: Page 36.



WORKSHOPS

Adam Smith on the Conditions of a Moral Society: The Interdisciplinary Adam Smith Conference

ESOP and CSMN (Centre for the Study of Mind in Nature) organized a joint conference 27-29 August 2009. The Interdisciplinary Adam Smith Conference celebrating the 250th anniversary of *The Theory of Moral Sentiments*.

Organizers included: Kalle Moene (ESOP), Christel Fricke (CSMN), Ragnvald Kalleberg (SOSGEO and SiV) and Raino Malnes (STV) – all based at the University of Oslo Program

Session I, Thursday, August 27, 2009, 14.00 – 17.30: Adam Smith on the Driving Forces of Human Motivation

14.00-15.00 Thomas Cushman/Bryan S. Turner (Sociology) – Wellesley 'Resentment in the Theory of Moral Sentiments: A Sociological Re-examination'

15.15-16.15 Sam Fleischacker (Philosophy) – Chicago 'Smith on Self-Deceit'

16.30-17.30 Jon Elster (Economics) – Paris, Collège de France 'Seneca and Adam Smith on reciprocity'

Session II, Friday, August 28, 2009, 9.15 – 12.45: Adam Smith and the Impartial Spectator

09.15-10.15 James Konow (Economics) – Los Angeles 'Adam Smith and Moral Knowledge'

10.30-11.30 Ragnvald Kalleberg (Sociology) – Oslo 'Adam Smith – A Normative Empirical Classic in Sociology'

11.45-12.45 Carola von Villiez (Philosophy) – Oslo 'Dimensions of Impartiality: Adam Smith's Story of Moral Progress'

Session III, Friday, August 28, 2009, 14.00 – 17.30: Adam Smith on Morals and Politics

14.00-15.00 Wolfgang Knöbl (Sociology) – Göttingen 'Adam Smith on Conflict and War'

15.15-16.15 John O'Neill (Political Science) – Manchester 'Recognition, independence and equality'

16.30-17.30 Kalle Moene (Economics) – Oslo 'The moral sentiments of the 'Wealth of Nations'

Session IV, Saturday, August 29, 2009, 9.15 – 12.45: Adam Smith as a Thinker of the Enlightenment

09.15-10.15 Maria Carrasco (Philosophy) – Santiago de Chile 'Sympathy: From Psychology to Moral Normativity'

10.30-11.30 Vivienne Brown (Philosophy) – The Open University (UK) 'Self-interest and intersubjectivity in The Theory of Moral Sentiments'

11.45-12.45 Thom Brooks (Political Science) – Newcastle (UK) 'The Role of Emotion in Punishment'

Session V, Saturday, August 29, 2009, 14.00 – 17.30: Adam Smith on Moral Sentiments and Moral Action

14.00-15.00 Duncan Kelly (Political Science) – Cambridge (UK) 'Propriety and Persuasion'

15.15-16.15 Lisa Hill (Political Science) – Adelaide 'Social Distance and the New Strangership in Adam Smith'

16.30-17.30 Christel Fricke (Philosophy) – Oslo 'The Invisible Hand and the Moral Law: Smith and Kant on Moral Knowledge'

ESOP Workshop on Varieties of inequality

The workshop took place June 17- Room 1047- Eilert Sundts building, University of Oslo

09:00--09:45: Kalle Moene: The equality multiplier

10.00--10.45: Sam Bowles: The nature of wealth and the dynamics of inequality from pre history to the knowledge-based economy

11.00--11.45: William Thomson: Lorenz rankings of rules for the adjudication of conflicting claims

12:00--12.45: Jo Thori Lind: Information and welfare spending

14:00--14.45: Tarjei Havnes: Is universal child care leveling the playing field?

15.00--15.45: Ingvild Almås: Development of moral views in children

16.00--16.45: Magne Mogstad: Measuring long-term inequality and income mobility

17:00--17:45: Sara Cools and Marte Strøm: Parenthood and household Specialization

ESOP Workshop on Inequalities in Contests

The workshop took place from October 23-24 in Rådssalen - the Central Administration building, Blindern

Contests is a term used to describe many different sorts of strategic interaction, from market competition, through procurement, to violent conflicts and war. In this workshop, we want to explore the consequences of inequality – as well as consequences for inequality – in various forms of contests. In particular, we want to see how differences in technology or resource availability among contest participants may affect the contest outcome, and how various contest designs may differ with respect to inequalities in the participants' (expected) outcome. When it comes to ex-ante inequalities, one might argue that participants who have lower costs of exerting contest effort may have an edge in the contest and therefore give other participants reduced incentives to exert effort.

When it comes to ex-post inequalities, one might ask if there are contest designs that we should expect to lead to increased inequality and, correspondingly, if there are contest designs that lead to reduced inequality.

A next step might be to look closer at the consequences of contests that take place repeatedly. If, for example, winning a contest today gives you an edge in tomorrow's contest, there may well be incentives for exerting effort also for the currently disadvantaged participants, since winning today may put one in the position of being a leader in a future contest.

In contexts where there is a contest designer present, such as in procurement, the question arises as to how the effects of inequalities should affect the contest design. For example, when there are (potentially) multiple contests to be held, one may ask how a contest designer would want to split her total prize budget across the contests.

Program Friday October 23

11:00-12:00: Halvor Mehlum (and Kalle Moene) (Department of Economics, University of Oslo) presents "Kings and Farmers".

13:00-14:00: Oliver Gürtler (Department of Economics, BWL II, University of Bonn) presents "Optimal Tournament Contracts for Heterogeneous Workers".

14:15-15:15: Ola Kvaløy (Department of Economics, University of Stavanger) presents "Tournaments with prize setting agents"

15:30-16:30: Scott Gates (Centre for the Study of Civil War, International Peace Research Institute, Oslo) presents "Biased Property Rights and Communal Violence"

16:30-17:30: Kai Konrad (Max Planck Institute for Intellectual Property, Competition and Tax Law) presents The Lifeboat Problem

Program Saturday October 24

09:15-10:15 Tore Nilssen (Department of economics, University of Oslo) presents "Dynamic win effects in sequential contests"

10:30-11:30 Aner Sela (Department of Economics, Ben-Gurion University of the Negev, Israel) presents "Allocation of Prizes in Contests with Participation Constraints"

11:45-12:45 Rene Kirkegaard (Department of Economics, Brock University) presents "Favoritism in Asymmetric Contests: Head Starts and Handicaps"

13:45-14:45 Stergios Skaperdas (Department of Economics, UC Irvine) presents "Cognitive Policy Capture"

15:00-16:00 Karl Wärneryd (Department of Economics, Stockholm School of Economics) presents "Democracy, Inequality, and International Conflict"

16:00-17:00 Nils-Henrik M. von der Fehr (Department of Economics, University of Oslo) presents "Investment Incentives and Market Design"

ESOP Workshop on Recent Experiences with Variants of the Nordic Model

The workshop took place Nov 10, 2009 11:00 AM - 05:45 PM, Room 1047, Eilert Sundts hus, Blindern

Every speaker presented experiences from their own country.

Program:

11:00-12:00 Kalle Moene, Norway, presents "The complementarity between financial markets and the welfare state"

13:00-14:00 Matz Dahlberg, Sweden, presents "On Mandatory Activation of Welfare Recipients in Sweden"

14:15-15:15 Markus Jäntti, Finland, presents "Growth with equity? Recent experiences of the Finnish developmental state in light of its history"

15:30-16:30 Torben Andersen, Denmark, presents "Reforms and developments of the Danish welfare model"

16:45-17:45 Þórólfur Matthíasson, Iceland, presents "Life at the top of the world, one crash at a time"

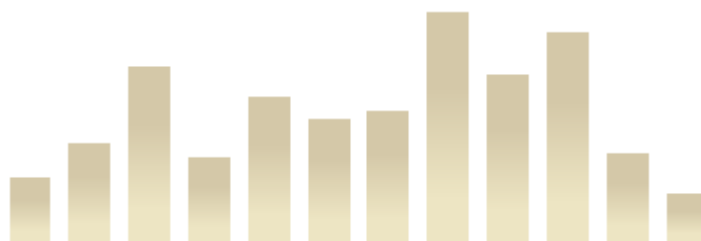
Computer Literacy Day with Erik Ø. Sørensen at ESOP

The workshop took place Dec 2, 2009 09:15 AM - 03:00 PM, Room 1047, Eilert Sundts hus

December 2nd was World Computer Literacy Day. The aim for the computer literacy day at ESOP was to spend some time together thinking and talking about how to use computers efficiently for doing reproducible research.

The topics:

1. What are the different ways of understanding computing? Computer Science, Software Engineering and social studies of computing. Where are the real bottlenecks when economists deal with computers? Also: What every economist should know about computer science. Representation of data, the difference between math and computing, imperative vs functional and declarative programming.
2. Workflow for data analysis. How to keep track of everything from back-of-the-envelope calculations to large environments of data and computation? It is well documented that professional, conscientious programmers create buggy software. How can we attempt to keep the worst bugs out of our economic calculations?
3. Software for economists, and why the spreadsheet should be banished from all economic analyses.
4. Efficient statistical computing with statistical software. My own examples will be using Stata, but similar commands exist in all available software out there.
5. What every economist should know about software engineering.



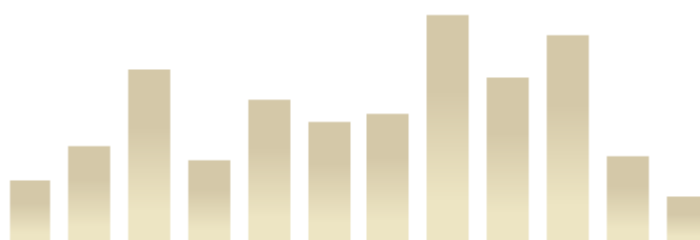
ESOP FABLER

ESOP fabler is an informal debate forum organized by ESOP. The ambition of *ESOP fabler* is to highlight current economic topics of interest which are a part of ESOP's research fields.

The debate starts with introductions and comments from invited speakers, before we invite the audience to join in. The intention of the debate is to create a multidisciplinary arena where everyone is able to contribute. *ESOP fabler* is a unique occasion to spread the knowledge of some of the center's research results. While most other seminars organized by ESOP are held in English and require an understanding of mathematical models, *ESOP fabler* is held in Norwegian and the critical questions, scholarly reflections and debate are available for fields outside of Economics as well.

ESOP fabler has been arranged twice so far, the first one on the 25th of February 2009, entitled, "Den nordiske modellen – et ikke-eksisterende forbilde?" (The Nordic Model – A Non Existent Ideal?). 75 people showed up to be a part of the debate where Francis Sejersted (Professor of History, ISF) and Kalle Moene (Professor of Economics and leader of ESOP) each held an introduction before the moderator Halvor Mehlum (Professor of Economics and deputy leader of ESOP) lead the audience through the subsequent debate.

The second debate was held on the 16th of March and was entitled "Krisepakken – en sosialdemokratisk gavepakke til finanskapitalen?" (The Crisis Package – A Social Democratic Gift to the Financial Industry?). Ragnar Torvik (Professor of Economics, NTNU) and Egil Matsen (Associate Professor of Economics, NTNU) each held an introduction which Knut Moum (Deputy Director General of the Department of Finance) and Jannik Lindbæk (Former head of the Nordic Investment Bank and former executive vice president of the International Finance Corporation) provided comments.



PEOPLE

Academic Staff by March 2009

Ingvild Almås, researcher	ingvild.almas@nhh.no
Geir Asheim, professor	g.b.asheim@econ.uio.no
Silje Aslaksen, postdoctoral fellow	silje.aslaksen@econ.uio.no
Erling Barth, adjunct professor	erling.barth@socialresearch.no
Bernt Bratsberg, adjunct professor	bernt.bratsberg@frisch.uio.no
Kjell Arne Brekke, professor	k.a.brekke@frisch.uio.no
Alexander Cappelen, professor	alexander.Cappelen@nhh.no
Vidar Christiansen, professor	vidar.christiansen@econ.uio.no
Raquel Fernandez, adjunct professor	raquel.fernandez@nyu.edu
Jon H. Fiva, postdoctoral fellow	j.h.fiva@econ.uio.no
Bård Harstad, adjunct professor	harstad@kellogg.northwestern.edu
Tarjei Havnes, postdoctoral fellow	tarjei.havnes@econ.uio.no
Michael Hoel, professor	m.o.hoel@econ.uio.no
Steinar Holden, professor	steinar.holden@econ.uio.no
Bjørn Høyland, postdoctoral fellow	bjorn.hoyland@stv.uio.no
Tapas Kundu, postdoctoral fellow	tapas.kundu@econ.uio.no
Jo Thori Lind, postdoctoral fellow	j.t.lind@econ.uio.no
Halvor Mehlum, professor	halvor.mehlum@econ.uio.no
Espen Moen, adjunct professor	espen.r.moen@bi.no
Karl Ove Moene, professor	k.o.moene@econ.uio.no
Magne Mogstad, researcher	mmo@ssb.no
Tore Nilssen, professor	tore.nilssen@econ.uio.no
Karine Nyborg, professor	karine.nyborg@frisch.uio.no
Tone Ognedal, associate professor	tone.ognedal@econ.uio.no
Oddbjørn Raaum, adjunct professor	oddbjorn.raaum@frisch.uio.no
Mari Rege, adjunct professor	mari.rege@uis.no
Christian Riis, adjunct professor	christian.riis@bi.no
Åsa Rosén, adjunct professor	asa.rosen@sofi.su.se
Asbjørn Rødseth, professor	asbjorn.rodseth@econ.uio.no
Knut Røed, adjunct professor	knut.roed@frisch.uio.no
Kjell Gunnar Salvanes, professor	kjell.salvanes@nhh.no
Kjetil Storesletten, professor	kjetil.storesletten@econ.uio.no
Erik Sørensen, researcher	erik.sorensen@nhh.no
Ragnar Torvik, professor	ragnar.torvik@svt.ntnu.no
Gaute Torsvik, professor	gaute.torsvik@econ.uib.no
Bertil Tungodden, professor	bertil.tungodden@nhh.no
Karen Helene Ulltveit-Moe, professor	k.h.ulltveit-moe@econ.uio.no

Phd Students

Nils August Andresen	n.a.andresen@econ.uio.no
Berhe Mekonnen Beyene, research fellow	b.m.beyene@econ.uio.no
Øystein Børsum, research fellow	oystein.borsum@econ.uio.no
Jenny Clarhäll, research fellow	jennymcl@econ.uio.no
Sara Cools, research fellow	sara.cools@econ.uio.no
Bjorn Dapi, research fellow	bjorn.dapi.econ.uio.no
Karen E. Hauge, research fellow	k.e.hauge@econ.uio.no
Eva Kløve, research fellow	eva.klove@esop.uio.no
Ingrid Krüger, research fellow	ingrid.krueger@econ.uio.no
Simen Markussen, doctoral student	simen.markussen@frisch.uio.no
Jørgen Heibø Modalsli, research fellow	j.h.modalsli@econ.uio.no
Marte Strøm, research fellow	marte.strom@econ.uio.no
Fredrik Willumsen, research fellow	f.h.willumsen@econ.uio.no

Guests

Vera Boronenko
Halfdan Grangard
Nina Drange
Mads Greaker
Jørgen Andersen
Gisle Natvik

Administration

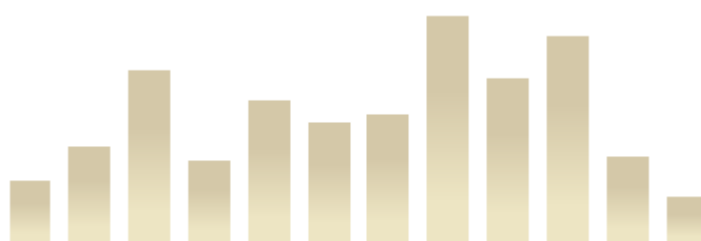
Johannes Elgvin, head of administration	johannes.elgvin@econ.uio.no
Astrid Sandsør, executive officer	a.m.j.sandsor@econ.uio.no

Research Assistants

Sunniva Pettersen Eidsvoll	sunrivei@student.sv.uio.no
Esther Ann Nisja Bøler	eaboler@student.sv.uio.no
Kenneth Birkeli	kenneth.birkeli@econ.uio.no
Haakon P. Riekeles	haakonpr@student.sv.uio.no
Line Bentzen	lineben@student.sv.uio.no
Sigrid Wilter Eriksson	sigrider@student.sv.uio.no
Kristin Thorvaldsen	krithorv@student.sv.uio.no
Aksel Holler Jonassen	akselhjo@student.matnat.uio.no

ESOP Network

Daron Acemoglu, Massachusetts Institute of Technology (MIT)
Jean-Marie Baland, University of Namur (FUNDP)
Sam Bowles, Santa Fe Institute (SFI) and University of Sienna (UNISI)
Rob Davies, Zimbabwe
Miriam Golden, University of California, Los Angeles (UCLA)
Emily Haisley, Carnegie Mellon University (CMU)
Jonathan Heathcote, The Federal Reserve Bank of Minneapolis
Ethan Kaplan, Stockholm University (SU)
James Konow, Loyola Marymount University (LMU)
Eliana La Ferrara, Bocconi University
George Loewenstein, Carnegie Mellon
Ellen McGrattan, Research Dept., Federal Reserve Bank of Minneapolis
Ted Miguel, UC Berkeley
Eva Nagypal, Northwestern
Trond Petersen, UC Berkeley
Michelle Rendall, University of Zurich
James A. Robinson, Harvard University
Dominic Rohner, University of York
Maria Saez-Marti, Zurich University
Virginia Sanchez Marcos, Universidad de Cantabria
Andres Solimano, CEPAL, Chile
Giovanni Violante, New York University
Elisabeth Wood, Yale University
Amir Yaron, Wharton
Fabrizio Zilibotti, University of Zurich



ACCOUNTS AND REVISED BUDGET

Funding NOK 1000	Accounts 2007	Accounts 2008	Budget 2009	Budget 2010	Budget 2011	Budget 2012-16	Total budget
CoE funding							
Host institution (UiO)	1 000	2 110	2 000	2 000	2 000	11 000	20 110
Norw. Research Council - CoE	9 000	6 000	12 400	3 288	9 595	51 577	91 860
Active partner							0
International funding				1 056	376	752	0
Other public			410	977	977	285	2 842
Other private							0
Total income	10 000	8 110	14 810	7 321	12 948	63 614	117 055
Other funding, excl. CoE grants							
Active partner A							0
Active partner B							0
Host institution (UiO)	4 792	5 899	5 711	5 282	5 859	29 490	57 033
Others							0
Total funding excl. CoE grants	4 792	5 899	5 711	5 282	5 859	29 490	57 033
Total funding	14 792	14 009	20 521	12 603	18 807	93 104	174 088
Funding estimated in contract	9913	15802	18742	16 747	17 454	85494	164 152
Deviation	4 879	-1 793	1 779	-4 144	1 353	7 610	7 697
Transferred (+/-)	0	5 689	5 258	9 732	2 684	3 492	
Total funding and transfers	14 792	19 698	25 779	22 335	21 491	96 596	200 943

Expenditures NOK 1000	Accounts 2007	Accounts 2008	Revised Budget 2009	Budget 2010	Budget 2011	Budget 2013-17	Totalt budget
CoE costs							
Personnel, housing	2 560	5 739	7 900	9 820	9 779	46 870	81 212
(Salaries and personnel costs)			(7 810)	(9 730)	(9 689)	(46 330)	(81 858)
(Premises, overhead)			(90)	(90)	(90)	(540)	(810)
Purchase of R&D services	414	371	740	773	927	5 181	8 406
Scientific equipment	207	182	0	200	287	181	1 057
Workshops/conferences							
Individual running costs							
Other running costs	858	2 249	1 948	3 576	3 831	8 109	20 571
Total CoE costs	4 039	8 541	10 588	14 369	14 824	60 341	112 702
Other costs excl. CoE costs							
Personnel, housing	5 064	5 899	5 711	5 282	5 859	29 494	57 309
(Salaries and personnel costs)			(5 143)				0
(Premises, overhead)			(568)				0
Purchase of R&D services							0
Scientific equipment							0
Other running costs							0
Total costs excl. CoE costs	5 064	5 899	5 711	5 282	5 859	29 494	57 309
Total costs	9 103	14 440	16 299	19 651	20 683	89 835	167 347
Transferred (+/-)	5 689	5 258	9 732	2 684	808	6 761	30 932

SPECIFIED BUDGET 2010

(Numbers in NOK 1000)				
Income	Budget 2009	Account 2009	Budget 2010	Notes
Norwegian Research Council -CoE	12 400	12 390	3 288	1.
Sales income			-	
Course income			-	
Contribution margin		20	-	
Project income	410	100	1 028	2.
Distribution of copayment in active projects		(2)	3 300	3.
Rent income			-	
Other operating income	2 000	2 110	2 000	4.
Returned results from projects			-	
Annual income	14 810	14 618	9 616	
Transmitted from previous year	5 258	5 258	6 436	5.
Total income (including transmissions)	20 068	19 877	16 052	
Costs	Budget 2009	Accounts 2009	Budget 2010	
Major preservations	-	-	-	
Investments in machinery (purchase)	181	-	170	6.
Investments in real estate (purchase)	-	-	-	
Total investments	181	-	170	
Salaries and personnel costs	4 523	4 443	6 066	7.
Variabel lønn	-	25	15	
Salaries in holiday	543	534	747	
Employer's contribution and pension	1 400	1 223	1 960	
Scholarships and public funding	110	45	90	
Public reimbursement regarding labour	-	-	-	
Reimbursement regarding redemption	-	(442)	(359)	8.
Redemption costs	1 865	1 535	-	9.
Other personell costs	-	5	20	
Total salary costs	8 441	7 368	8 539	
Cargo/transportation/freight	3	3	3	
Costs regarding offices	90	90	90	
Machinery, furniture, equipment, materials	143	16	230	10.
Foreign service	906	740	941	11.
Office costs, printed matter, phone, etc.	206	279	30	12.
Travelling costs, daily allowance, etc	523	385	729	13.
Overhead costs	1 324	1 180	1 620	
Representation, marketing	135	44	192	14.
Membership dues, gifts, grants	2	-	-	
Insurance, patent and licence costs	-	-	-	
Other costs	33	19	161	15.
Financial loss, periodic running costs	-	19	-	
Total running costs	3 365	2 773	3 993	
Annual costs	11 987	10 140	12 702	

Annual results	Budget 2009	Accounts 2009	Budget 2010	
Financial result	8 081	9 736	3 350	
Net financial income / costs	-	-	-	
Ended projects	-	-	-	
Accumulated result	8 081	9 736	3 350	
Isolated annual result	2 823	4 478	(3 087)	16.
Budget result 2010			263	

Notes to the budget 2010

1. We have not used as much means as we had to our disposition in 2009. In stead of keeping all the transmitted money on our accounts, we have asked the RCN to hold back 2/3 of the funding in 2010. This will give us a negative isolated annual result. We then use the transmitted money from last year to balance the budget. At a later time, when needed, we will get the funding that RCN held back in 2010.
2. Income from our research collaboration with the project "The Gulf Research Unit" managed by IKOS
3. Income from transmitted host institution funding (funding from UiO) from previous year
4. Annual income from the host institution (from UiO)
5. Transmitted RCN funding from previous year
6. Purchase of new IT equipment
7. In 2010 we started a new practice of redemption. In stead of reimbursing the salary of our centre leader and deputy leader to the department of economics, we budget these costs directly in our centre budget. This leads to higher salary costs, but also equally lower redemption costs.
8. We have become a partner in a '7 framework programme' project; GRASP - Growth and Sustainability Policies for Europe. In this project we are responsible for one working package on "Social Policies". This is the amount we get reimbursed from GRASP (our estimated personnel cost for working with GRASP related topics).
9. See note 7.
10. We want to include all of our research assistants and the master students which received the ESOP scholarship at the center. To do this we need to redecorate some of the rooms at our centre.
11. We have collaboration agreements with ISF, Frischsenteret, SSB and NHH. This is mostly our share of the research collaboration with these institutions.

12. In 2009 this post also included workshops, seminars and conferences. From 2010 we have moved these costs to the post 'Travelling costs, daily allowance, etc'. See note 13.

13. From 2010 this post also includes workshops, seminars and conferences.

14. From 2010 this post also includes food and beverage during workshops, seminars and conferences.

15. This is mostly personal production equipment for our PhD-students and also the cost of developing our website. In 2009 we got special funding from the Faculty of Social Science to develop our website. We plan to use these means in 2010.

16. Because we have asked the RCN to hold back 2/3 of the funding in 2010, the Isolated annual result is negative. But since we use accumulated means, the budget is fairly balanced (See note 1).

RESOURCES – PERSONNEL 2009

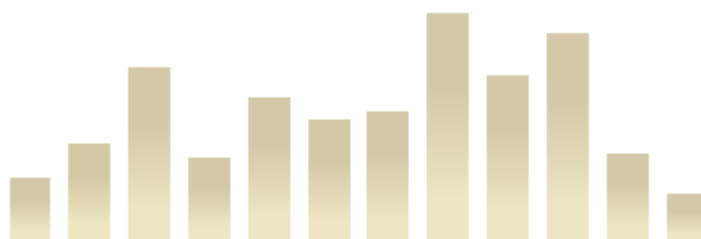
Professors, Ass. professors, researchers			People: 31		Man-year: 6,703	
Name	Sex	Country of employment	Academic degree	Employment	Place of work/ employer	Parts of man-year
Moene, Karl-Ove	M	Norway	Professor	01.01.07-	ESOP	1
Mehlum, Halvor	M	Norway	Professor	01.01.07-	ESOP/ØI	0,75
Asheim, Geir	M	Norway	Professor	01.01.07-	ESOP/ØI	0,22
Storesletten, Kjetil	M	Norway	Professor	01.01.07-	ESOP/ØI	0,75
Brekke, Kjell Arne	M	Norway	Ass. Prof.	01.01.07-	ESOP/ØI	0,2
Christiansen, Vidar	M	Norway	Professor	01.01.07-	ESOP/ØI	0,2
Hoel, Michael	M	Norway	Professor	01.01.07-	ESOP/ØI	0,2
Holden, Steinar	M	Norway	Professor	01.01.07-	ESOP/ØI	0,2
Nilssen, Tore	M	Norway	Professor	01.01.07-	ESOP/ØI	0,2
Nyborg, Karine	F	Norway	Ass. Prof.	01.01.07-	ESOP/ØI	0,2
Ognedal, Tone	F	Norway	Ass. Prof.	01.01.07-	ESOP/ØI	0,2
Rødseth, Asbjørn	M	Norway	Professor	01.01.07-	ESOP/ØI	0,2
Ulltveit-Moe, Karen H.	F	Norway	Professor	01.01.07-	ESOP/ØI	0,2
Fernandez, Raquel	F	USA	Professor	01.09.07-31.12.11	NYU/ESOP	0,2
Bratsberg, Bernt	M	Norway	Prof. II	01.09.07-31.12.11	Frisch/ESOP	0,1
Raaum, Oddbjørn	M	Norway	Prof. II	01.09.07-31.12.11	Frisch/ESOP	0,1
Røed, Knut	M	Norway	Prof. II	01.09.07-31.12.11	Frisch/ESOP	0,1
Moen, Espen	M	Norway		01.09.07-31.12.11	BI/ESOP	0,1
Barth, Erling	M	Norway	Prof. II	01.08.08-31.12.11	ISF/ESOP	0,083
Almå, Ingvild	F	Norway	Researcher	01.02.09-31.01.12	NHH/ESOP	0,2
Rosén, Åsa	F	Sweden	Researcher	01.08.08-31.12.11	SOFI/ESOP	0,2
Zilibotti, Fabrizio	M	Italy	Prof. II		IIES/ESOP	0,1
Halse, Askill	M	Norway	Resear.ass.	01.10.07-30.09.09	ESOP	0,2
Sandsør, Astrid	F	Norway	Resear.ass.		ESOP	0,2
Korneliussen, Kristine	F	Norway	Resear.ass.	01.10.07-30.09.09	ESOP	0,2
Johnsen, Åshild	K	Norway	Resear.ass.	01.10.07-01.03.09	ESOP	0,2
Gunnesdal, Lars	M	Norway	Resear.ass.	15.01.09-17.09.09	ESOP	0,2
Bøler, Esther Ann	F	Norway	Resear.ass.	23.02.09-22.02.11	ESOP	0,2
Eidsvoll, Sunniva P.	F	Norway	Resear.ass.	10.09.09-09.09.11	ESOP	0,2
Birkeli, Kenneth	M	Norway	Resear.ass.	10.09.09-09.09.11	ESOP	0,2

Research fellows			People: 13		Man-year: 9,875	
Name	Sex	Country of employment	Academic degree	Employment	Place of work/ employer	Parts of man-year
<i>Beyene, Berhe Mekonen</i>	M	Norway	Ma. in econ.		ESOP/ØI	0,75
<i>Borchgrevink, Henrik</i>	M	Norway	Ma. in econ.	01.10.05-30.09.09	ESOP/ØI	0,75
<i>Clarhåll, Jenny</i>	F	Norway	Ma. in econ.	01.10.05-30.09.09	ESOP/ØI	0,75
<i>Havnes, Tarjei</i>	M	Norway	Ma. in econ.	01.10.05-30.09.09	ESOP/ØI	0,625
<i>Modalsli, Jørgen</i>	M	Norway	Ma. of. Phil.	25.06.07-24.06.11	ESOP	0,75
<i>Strøm, Marte</i>	F	Norway	Ma. in econ.	01.07.06-30.06.10	ESOP/ØI	0,75
<i>Børsum, Øystein</i>	M	Norway	Ma. in econ.		ESOP/ØI	0,75
<i>Hauge, Karen</i>	F	Norway	Ma. in econ.		ESOP/ØI	0,75
<i>Cools, Sara</i>	F	Norway	Ma. in econ.	13.08.07-12.08.11	ESOP	0,75
<i>Kløve, Eva</i>	F	Norway	Ma. in econ.	01.12.07-30.11.11	ESOP	0,75
<i>Willumsen, Fredrik</i>	M	Norway	Ma. in econ.	19.02.07-28.02.11	ESOP	0,75
<i>Krüger, Ingrid</i>	F	Norway	Ma. of phil.	18.05.09-17.05.12	ESOP	1
<i>Andresen, Nils August</i>	M	Norway	Ma of arts	05.10.09-04.10.13	ESOP	0,75

Post doctoral fellows			People: 5		Man-year: 3,14	
Name	Sex	Country of employment	Academic degree	Employment	Place of work/ employer	Parts of man-year
<i>Lind, Jo Thori</i>	M	Norway	Ph.D.	01.04.05-31.03.09	ESOP/ØI	0,75
<i>Aslaksen, Silje</i>	F	Norway	Ph.D.	01.09.08-01.09.12	ESOP	0,33
<i>Fiva, Jon Hernes</i>	M	Norway	Ph.D.	05.08.07-05.08.11	ESOP	0,75
<i>Kundu, Tapas</i>	M	Norway	Ph.D.	16.08.07-15.08.11	ESOP	0,75
<i>Rendall, Michelle</i>	M	Norway	Ph.D.	01.09.08-12.08.09	ESOP	0,50
<i>Havnes, Tarjei</i>	M	Norway	Ph.D.	01.11.09-31.12.13	ESOP/HERO/ØI	0,06

Administration			People: 3		Man-year: 1,45	
Name	Sex	Position	Academic degree	Employment	Place of work/ employer	Parts of man-year
<i>Elgvin, Johannes</i>	M	Head.adm.	Cand. Polit.	01.01.09-	ESOP	1
<i>Sandsør, Astrid</i>	F	Exec.officer	Bachelor	01.07.09-25.06.10	ESOP/ØI	0,30
<i>Bergseth, Mari</i>	F	Exec.officer	Cand.Polit	01.02.09-01.05.09	ESOP/ØI	0,15

Personnel/positions	Man-year 2 007	Man-year 2 008	Man-year 2 009	Man-year 2 010	Man-year 2 011	Man-year 2012-16
Professors, researchers, etc.	3,6	6,3	6,7	6,5	6,9	40
Research fellows/Ph.D. students	5,5	7,8	9,9	9,9	8	35
Postdocs	1,3	2,9	3,1	4	5	25
Technical/adm. Positions	1,1	2,0	1,5	1,7	2	10
Total personnel, man-year	11,5	19,1	21,2	22,1	21,9	74,3



Oslo, 28 March 2010