



2nd FIW-Research Conference
„International Economics“

December 12th 2008

Vienna University of Economics
and Business Administration
UZA 4, Nordbergstraße 15
1090 Vienna

UZA 4, Kern D, 7th Floor, Konferenzraum 1 (D706)

09:00 Opening Remarks by Fritz Breuss (FIW/WIFO)

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Session 1a : Trade and Income Distribution (Chair: Roman Stöllinger, FIW/wiwi)

09:15 **Dierk Herzer** (Johann Wolfgang Goethe - University):

"Cross Country Heterogeneity and the Trade-Income Relationship"

09:45 Hans Fehr (University of Wuerzburg), **Sabine Jokisch** (Ulm University), Laurence J. Kotlikoff (Boston University):

"Dynamic Globalization and Its Potentially Alarming Prospects for Low-Wage Workers"

10:15 **Friedrich Sindermann, Alfred Sitz** (Vienna University of Economics and Business Administration):

"The Effects of Minimum Wages and International Non-Tradeable Goods on Foreign Trade and Unemployment in Industrialized Countries and China"

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Session 1b: Fiscal and Monetary Policy Issues (Chair: Fritz Breuss, FIW/WIFO)

09:15 **Amedeo Argentiero** (University of Rome Tor Vergata):

"Debt Stabilization and Business Cycle Stabilization in the EMU: Trade off or Synergy?"

09:45 **Chiara Forlati** (Ecole Polytechnique Fédérale de Lausanne):

"Optimal Monetary and Fiscal Policy in the EMU: Does Fiscal Policy Coordination Matter?"

10:15 **Jorge A. Fornero** (Vienna University of Economics and Business Administration):

"Managing Fiscal Policy with non-Ricardian Consumers in large open Economies: A DSGE Model for the Euro Area and the U.S."

10:45-11:00 Coffee Break

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Session 2a: Outsourcing (Chair: Yvonne Wolfmayr, FIW/WIFO)

- 11:00 **Daniel Horgos** (Helmut Schmidt University):
"International Outsourcing and Wage Rigidity: A Formal Approach and First Empirical Evidence"
- 11:30 **Stefano Federico** (Bank of Italy):
"Outsourcing Versus Integration at Home and Abroad"
- 12:00 **Fergal McCann** (University College Dublin):
"Outsourcing and Firm Productivity"

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Session 2b: International Macroeconomics (Chair: Harald Badinger, Vienna University of Economics and Business)

- 11:00 **Lukas Mohler** (University of Basel):
"Globalization and the Gains from Variety: The Case of a Small Open Economy"
- 11:30 **Michael Kühl** (University Goettingen):
"Excess Comovements in the Foreign Exchange Market with an Application to the Euro-GBP-USD triplet"
- 12:00 **Haluk Erhat** (Middle East Technical University):
"Persistence in Turkish Real Exchange Rates: Panel Approaches"

12:30-14:00 Lunch Break

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Session 3a: Trade Modelling (Chair: Julia Wörz, OeNB)

14:00 **Koen Smet** (Vienna University of Economics and Business Administration):
"A Clockwork Economy"

14:30 **Aidan Islyami** (University of Kiel):
"Trade in Intermediate Producer Services under Imperfect Competition"

15:00 **Omar Feraboli** (Chemnitz University of Technology), Timo Trimborn (University of Hannover):
"Trade Liberalization and Income Distribution: A CGE Model for Jordan"

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Session 3b: Factor Movements and Barriers to Trade (Chair: Martin Falk, FIW/WIFO)

14:00 **Nicolas Sauter** (Munich Graduate School of Economics):
"Talking Trade: Language Barriers in Intra-Canadian Commerce"

14:30 Jan Fidrmuc (Brunel University), **Jarko Fidrmuc** (University of Munich):
"Foreign Languages and Trade: What are you sinking about?"

15:00 Jorge A. Fornero, **Gabriele Tondl** (Vienna University of Economics and Business Administration):
"Sectoral Productivity and Spillover Effects of FDI in Latin America"

15:30-16:00 Coffee Break

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Session 4: Plenary Session (Chair: Michael Landesmann FIW/wiiv)

16:00 **Maela Giofré** (CeRP):

"Convergence of EMU Equity Portfolios"

16:30 **Harald Badinger** (Vienna University of Economics and Business Administration),
Peter Egger (Ifo):

"Horizontal versus Vertical Interdependence in Multinational Activity"

17:00 Mario Larch (Ifo), **Wolfgang Lechthaler** (ifw):

"Comparative Advantage and Skill Specific-Unemployment"

17:30 Awards Ceremony