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ISTITUTO DI STUDI ECONOMICI
E PER L'OCCUPAZIONE

I.S.E.O. 2018 SUMMER SCHOOL

Speaker biographies

15th
edition

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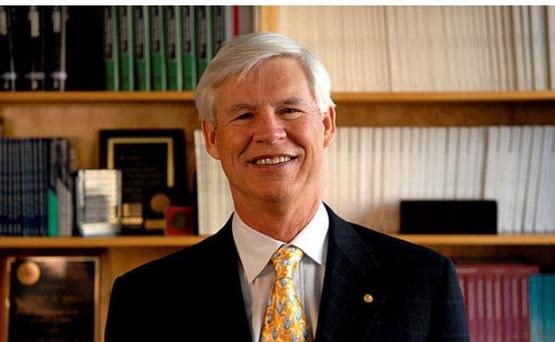
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THE NOBEL
LAUREATES

15th
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ROBERT ENGLE

Nobel Laureate in Economics 2003



Born: 10 November 1942, Syracuse, NY, USA

Affiliation at the time of the award: New York University, New York, NY, USA

Prize motivation: "for methods of analyzing economic time series with time-varying volatility (ARCH)"

Field: econometrics

Contribution: Developed methods to study the volatility properties of time series in economics, particular in financial markets. His method (ARCH) could, in particular, clarify market developments where turbulent periods, with large fluctuations, are followed by calmer periods, with modest fluctuations.

Robert Engle, born 10th of November in 1942, Syracuse (NY), is an American economist and the winner of the 2003 Nobel Memorial Prize in Economic Sciences. He received his Bachelor of Science from Williams College and his MS in Physics and PhD in Economics from Cornell University. He grew up in Media, Pennsylvania, spent 25 years in San Diego and now lives in New York City.

Professor Engle is the Director of the NYU Stern Volatility Institute and a co-founding president of the Society for Financial Econometrics (SoFiE), a global non-profit organization housed at NYU. Before joining NYU Stern in 2000, he was Chancellor's Associates Professor and Economics Department Chair at the University of California, San Diego and Associate Professor of Economics at MIT. He is a member of the National Academy of Science.

Robert Engle is an expert in time series analysis with a long-standing interest in the analysis of financial markets. His ARCH model and its generalizations have become indispensable tools not only for researchers, but also for analysts of financial markets. Many of these methods are now featured in the innovative public web site, V-LAB, where daily estimates of volatilities and correlations for more than a thousand assets can be found. These forecasts use both traditional and state of the art statistical methods. These computations are used in evaluating portfolio risk, asset allocation, derivative pricing and systemic risk measures now incorporated in the NYU Stern Systemic Risk Rankings. His research has produced such innovative statistical methods as cointegration, common features, autoregressive conditional duration (ACD), CAViaR, and DCC models. Now multiplicative error models (MEM) and factor spline garch (FSG) combine these into ever more powerful statistical tools.

ROBERT MERTON

Nobel Laureate in Economics 1997

Robert Merton is the School of Management Distinguished Professor of Finance at Massachusetts Institute of Technology, and the John and Natty McArthur University Professor Emeritus at Harvard University. He is currently Resident Scientist at Dimensional Holdings, Inc., where he is the creator of Target Retirement Solution, a global integrated retirement-funding solution system.

Merton received the Alfred Nobel Memorial Prize in Economic Sciences in 1997 for a new method to determine the value of derivatives.

Merton received a B.S. in Engineering Mathematics from Columbia University, a M.S. in Applied Mathematics from California Institute of Technology and a Ph.D. in Economics from Massachusetts Institute of Technology and honorary degrees from sixteen universities.

Merton's research focuses on finance theory, including lifecycle and retirement finance, optimal portfolio selection, capital asset pricing, pricing of derivative securities, credit risk, loan guarantees, financial innovation, the dynamics of institutional change, and improving the methods of measuring and managing macro-financial systemic risk.



Born: 31 July 1944, New York, NY, USA

Affiliation at the time of the award: Harvard University, Cambridge, MA, USA

Prize motivation: "for a new method to determine the value of derivatives"

Field: financial economics

Contribution: Had a direct influence on the development of the Black-Scholes formula and generalized it in important ways. By devising another way of deriving the formula, he applied it to other financial instruments, such as mortgages and student loans. The work generated new financial instruments and has facilitated more effective risk management in society.

MICHAEL SPENCE

Nobel Laureate in Economics 2001



Michael Spence, born 7th of November in 1943, is an American-born and Canadian-raised world-renowned economist. Spence has a BA in Philosophy from Princeton University, a BA/MA in Mathematics from Oxford University and earned his PhD in Economics from Harvard University.

Spence is a professor of economics at the Stern School of Business at New York University, Professor Emeritus of Management in the Graduate School of Business at Stanford University, a Senior Fellow of the Hoover Institution at Stanford and a Distinguished Visiting Fellow of the Council on Foreign Relations. He has also served as the Dean of the Faculty of Arts and Sciences at Harvard and the Dean of the Stanford Business School.

In 2001, Spence received, along with George A. Akerlof and Joseph E. Stiglitz, the Nobel Prize in Economic Sciences. It was awarded to them for their work on the dynamics of information flows and market development. Spence has furthermore been awarded the John Kenneth Galbraith Prize for excellence in teaching and the John Bates Clark medal for "significant contribution to economic thought and knowledge."

Amongst his other achievements, Spence is the author of the book *The Next Convergence: The Future of Economic Growth in a Multispeed World* (Ferrari, Straus and Giroux, May 2011).

Born: 7 November 1943, Montclair, NJ, USA

Affiliation at the time of the award: Stanford University, Stanford, CA, USA

Prize motivation: "for their analyses of markets with asymmetric information"

Field: economics of information

Contribution: Showed how the able agents may improve the market outcome by taking costly action to signal information to poorly informed recipients. An important example is education as a signal of high individual productivity in the labor market. It is not necessary for education to have intrinsic value. Costly investment in education as such signals high ability.

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CARLO COTTARELLI

Bocconi University

Carlo Cottarelli, a citizen of Italy, is currently Director of the Italian Public Finance Monitor of the Università Cattolica del Sacro Cuore di Milano. He has been Executive Director at the IMF Board representing Italy, Albania, Greece, Malta, Portugal and San Marino between November 2014 and November 2017. He was Commissioner for Public Spending Reform from October 2013 to October 2014. He headed the IMF Fiscal Affairs Department from October 2008 to October 2013. He will be Visiting Professor at Bocconi University in the second semester of Academic Year 2017-18.



After receiving degrees in economics from the University of Siena and the London School of Economics, he joined the Research Department of the Bank of Italy where he worked from 1981 to 1987 in the Monetary and Financial Sector Division. After working for about one year as head of the Economic Research Department of ENI (the main Italian energy company), Mr. Cottarelli joined the IMF in 1988, working for

the European Department, the Monetary and Capital Markets Department, the Policy Development and Review Department and the Fiscal Affairs Department. He was Deputy Director both in the European Department and the Strategy, Policy and Review Department, and Director of the Fiscal Affairs Department between November 2008 and October 2013.

While at the IMF, Mr. Cottarelli worked on several advanced, emerging market, and low-income countries in the context of surveillance, IMF-supported programs, and technical assistance, including Albania, Croatia, Hungary, Lebanon, Russia, Serbia, Tajikistan, Turkey, Italy, and the United Kingdom. As Director of the Fiscal Affairs Department, he was responsible for the development of the Fiscal Monitor, one of the three IMF flagship publications. He has written several papers on fiscal and monetary policies and institutions, and edited books on fiscal policy, inflation, monetary policy, and exchange rates.

Director of the Italian Public Finance Monitor,
Università Cattolica del Sacro Cuore

Visiting Professor, University Bocconi

CHRISTIAN DUSTMANN

University College London



Christian Dustmann is a Professor of Economics at University College London. He is also the founding Director of the Centre for Research and Analysis of Migration. He is the current president of the European Society of Labour Economists (EALE) and was the President of the European Society for Population Economics (ESPE) in 2008.

Professor Dustmann is an elected Fellow of the British Academy (FBA), the German National Academy of Sciences (Leopoldina), the Academy of Europe (Academia Europaea), and the Society of Labor Economists (SOLE). He is a leading labour economist and his work in areas such as migration, the economics of education, inequality, the economics of crime, and the economics of labour markets have appeared in academic journals including *The Quarterly Journal of Economics*, the *American Economic Review*, the *Journal of Political Economy*, and *The Review of Economic Studies*. He regularly advises government bodies, international organizations, and the media on current policy issues.

Professor in Economics, University College
London

Founding Director, Centre for Research
and Analysis of Migration

EMANUELE FERRAGINA

Sciences Po



Assistant Professor at Sciences Po

Emanuele Ferragina joined Sciences Po in January 2015. He is Assistant Professor at the department of Sociology, Member of the LIEPP and Associate Member of the Department of Social Policy and Intervention at the University of Oxford. Prior to Sciences Po, he was Departmental Lecturer at University of Oxford where he also received his PhD.

He is interested in the political economy of the welfare state, the individual and macro determinants of social capital and social participation, and the innovative use of the comparative method.

Besides academia, he has established (with a group of Italian researchers) the think tank Fonderia Oxford, which has the objective of raising public awareness about important societal issues, such as the rigidity of the Italian labour market, the lack of social cohesion in the Mezzogiorno, and the Italian brain drain. He also regularly writes for *Il Fatto Quotidiano* about equality, labour market issues, party politics, the welfare state and lower league football. His research has attracted the attention of the Italian media and his work has been discussed in TV, radio programs, and by the main Italian newspapers. His books *Chi Troppo, Chi Niente* (2013) (trans. Who gets too much, who gets nothing) and *La Maggioranza Invisibile* (trans. The Invisible Majority) (2014) are national best sellers.

HAIHONG GAO

Chinese Academy of Social Sciences



Director, Research Centre for
International Finance, Institute of
World Economics, Chinese Academy
of Social Sciences

Haihong Gao is Professor and Director, Research Center for International Finance, Institute of World Economics and Politics, Chinese Academy of Social Sciences. She is lead fellow of the CASS project titled China's Role in Reconstructing International Financial System, and guest professor at China Foreign Affairs University, and standing director of the council, China Society of World Economy.

She was appointed as chief economist of the Network of East Asian Think-Tanks, China Working Group. She has led numerous research projects sponsored by the Chinese Ministry of Finance, People's Bank of China, and China's National Social Science Fund. She was a visiting scholar at University of California at Davis, US, and visiting fellow at the Institute of Southeast Asian Studies, Singapore. She holds B.A. and M.A. degrees in Economics from Peking University, and an M.Sc. in International Money, Finance and Investment from the University of Durham, England.

Her recent publications include: *The International Financial System: Reform and Reconstruction* (2013) and *The G20 and Global Economic Governance* (2016).

GAËL GIRAUD

University of Paris 1-Sorbonne



Gaël Giraud is a CNRS researcher in economy specialized in the theory of general equilibrium, game theory, finance and energy issues. He is chief economist of the Agence Française de Développement, Professor at the Ecole Nationale des Ponts et Chaussées et director of the Chair Energy and Prosperity. He was also a member of the Steering Committee for Energy Transition in the French government and of the Stern-Stiglitz high-level commission on carbon tarification. Gael is a former student of the Ecole Normale Supérieure Paris and the National School of Statistics and Economic Administration. He obtained his PhD (1998) in mathematics at the Ecole Polytechnique. In 2009, he was named « Best Young French Economist » by Le Monde / Le Cercle des économistes.

Senior researcher at C.N.R.S. (French national centre for scientific research),
Centre d'Economie de la Sorbonne,
University of Paris , Paris School of
Economics

KAMIAR MOHADDES

Cambridge University

Kamiar Mohaddes is a Janeway Fellow in Economics at the University of Cambridge and a Senior Lecturer and Fellow in Economics at Girton College, University of Cambridge. He is a member of the Economic Research Forum (ERF) advisory committee, an ERF Research Fellow, and serves as its Thematic Co-Leader for the macroeconomics theme. He is also an Associate Researcher at the Energy Policy Research Group (EPRG) at the University of Cambridge, an Associate Fellow of the USC Dornsife Institute for New Economic Thinking, and a Research Associate at the Centre for Applied Macroeconomic Analysis at ANU in Australia. He holds a PhD in Economics from the University of Cambridge. His main areas of research are macroeconomics, global and national macroeconometric modelling, and energy economics. His articles have been published in a number of edited volumes (Cambridge University Press and Routledge) as well as in leading journals, including the *Journal of Applied Econometrics*, *Journal of International Economics*, and *The Review of Economics and Statistics*. His research has also been covered in major international news outlets including Bloomberg, the Economist, the Financial Times, and the Wall Street Journal.



Janeway Fellow in Economics, Faculty of
Economics, University of Cambridge

Fellow and Senior College Lecturer in Economics,
Girton College

ANDRÉS RODRÍGUEZ-POSE

London School of Economics



Professor of Economic Geography,
Department of Geography and
Environment, The London School of
Economics and Political Science

Andrés Rodríguez-Pose is a Professor of Economic Geography at the London School of Economics, where he was Head of the Department of Geography and Environment. He is the immediate Past President of the Regional Science Association International (2015-2017). He served as Vice-President of the RSAI in 2014 and was also Vice-President (2012-2013) and Secretary (2001-2005) of the European Regional Science Association.

He has a long track record of research in regional growth and inequality, fiscal and political decentralization, institutions, regional innovation, migration, and development policies and strategies. His research is widely cited in academic circles and has also been frequently used by policy- and decision-makers. In his areas of expertise, he has regularly acted as advisor to several Directorates of the European Commission, the European Investment Bank, the World Bank, the Cities Alliance, the OECD, the International Labour Organization, the Food and Agriculture Organization, the Inter-American Development Bank, and the Development Bank of Latin America, among others. He directed a major World Bank/Cities Alliance report entitled "*Understanding your Local Economy*" and frequently acts as advisor to governments. He has also been visiting professor at a number of universities, including Stavanger (Norway), the College of Europe (Belgium), Cambridge (UK), Hanover (Germany) and the Autonomous University of Madrid. He has been a holder of a European Research Council (ERC) Advanced Grant and is the

only social scientist to have been awarded the Royal Society-Wolfson Research Merit Award. Other past academic awards include a Leverhulme Trust Major Research Fellowship, a Philip Leverhulme Prize, and a Royal Geographical Society Gill Memorial Award. The latter two were awarded for his contribution to the understanding of regional disparities and development.