

ANNUAL REPORT

Centre for Applied Macro- and Petroleum
economics (CAMP)

2013

BI

CAMP – Centre for Applied Macro- and Petroleum economics

Centre for Applied Macro- and Petroleum economics (CAMP) will bring together economists working on applied macroeconomic issues, with special emphasis on petroleum economics. The research activities of CAMP will be broad and will encompass all elements pertaining to the analysis of petroleum economics, macroeconomics and finance.

Highlights from 2013:

- Contributed with session on oil prices at ASSA meeting in San Diego, 4 January
- PhD Course with Lutz Kilian in Oslo, 21-23 May
- PhD Course with Luc Bauwens in Oslo, 9-12 September
- Workshop on Oil and the Macroeconomy in Oslo, 24 May
- Workshop on Commodities and the Macroeconomy in Canberra, 4 December
- Nine Working papers
- CAMP Forecast for 2013

Hilde C. Bjørnland
Director



BI and Statoil Research Partnership

Statoil has chosen BI as its partner in a 5-year research collaboration that will contribute to the establishment of a National Research School in petroleum economics. The purpose of the program is to develop new academic research capacity in the economics of resource management and financial wealth based on petroleum, based on the Norwegian experience over the last four decades, and focusing on Norwegian challenges for the coming decades.

The research programme will be headed by Professor Hilde C. Bjørnland in the Department of Economics at BI Norwegian Business School. The new partnership will finance doctorate theses, doctorate degree courses, tutoring and other research activities modelled on the Research Council of Norway's template for national research schools. The programme has been allocated to the Centre for Applied Macro- and Petroleum economics (CAMP).

CAMP Network

Research Associates

| | | |
|-----------------------------|-------------------------------|---|
| Hilde C. Bjørnland | <i>Director and Professor</i> | BI Norwegian Business School |
| Jørgen Juel Andersen | <i>Associate Professor</i> | BI Norwegian Business School |
| Francesco Ravazzolo | <i>Senior Researcher II</i> | Norges Bank |
| Tommy Sveen | <i>Professor</i> | BI Norwegian Business School |
| Ragnar Torvik | <i>Professor II</i> | NTNU Norwegian University of Science and Technology |

Doctoral Student Associates

| | | |
|-------------------------------|----------------------|------------------------------|
| Drago Bergholt | <i>PhD Candidate</i> | BI Norwegian Business School |
| Vegard Høghaug Larsen | <i>PhD Candidate</i> | BI Norwegian Business School |
| Frode Martin Nordvik | <i>PhD Candidate</i> | BI Norwegian Business School |
| Leif Anders Thorsrud | <i>PhD Candidate</i> | BI Norwegian Business School |
| Sepideh Khayati Zahiri | <i>PhD Candidate</i> | BI Norwegian Business School |

Visiting Scholars

| | | |
|------------------------------|-------------------------------|--|
| Ron Alquist | <i>Assistant Chief</i> | Bank of Canada |
| Christiane Baumeister | <i>Senior Analyst</i> | Bank of Canada |
| Marcelle Chauvet | <i>Professor</i> | University of California, Riverside |
| Vesna Corbo | <i>Researcher</i> | Sveriges Riksbank |
| Mardi Dungey | <i>Professor</i> | University of Tasmania |
| Ana Maria Herrera | <i>Professor</i> | University of Kentucky |
| Lutz Kilian | <i>Professor</i> | University of Michigan |
| Douglas Laxton | <i>Research Director</i> | International Monetary Fund |
| Lavan Mahadeva | <i>Senior Research Fellow</i> | Oxford Institute for Energy Studies, University of Oxford |
| Junior Maih | <i>Senior Researcher</i> | International Monetary Fund |
| Renée Fry-McKibbin | <i>Professor</i> | Australian National University |
| Warwick McKibbin | <i>Professor</i> | Australian National University |
| Philiph Rothman | <i>Professor</i> | East Carolina University |
| Sam Wills | <i>PhD Candidate</i> | OxCarre, University of Oxford |
| Benjamin Wong | <i>PhD Candidate</i> | Australian National University |
| Jing Cynthia Wu | <i>Associate Professor</i> | Booth School of Business, University of Chicago |

Working Papers

Nine working papers have been published in 2013. These are listed below:

| Issue | Title | Authors |
|---------------|--|---|
| 1/2013 | <i>Why do voters dismantle checks and balances?</i> | Daron Acemoglu James A. Robinson Ragnar Torvik |
| 2/2013 | <i>Online appendix: Why do voters dismantle checks and balances? Extensions and robustness</i> | Daron Acemoglu James A. Robinson Ragnar Torvik |
| 3/2013 | <i>Global and regional business cycles: Shocks and propagations</i> | Leif Anders Thorsrud |
| 4/2013 | <i>China's Savings Multiplier</i> | Halvor Mehlum Ragnar Torvik Simone Valente |
| 5/2013 | <i>Local Natural Resource Curse?</i> | Lars-Erik Borge Pernille Parmer Ragnar Torvik |
| 6/2013 | <i>Bloom or gloom? Examining the Dutch disease in a two-speed economy</i> | Hilde C. Bjørnland Leif Anders Thorsrud |
| 7/2013 | <i>Petro Rents, Political Institutions, and Hidden Wealth: Evidence from Bank Deposits in Tax Havens</i> | Jørgen Juel Andersen Niels Johannesen David Dreyer Lassen Elena Paltseva |
| 8/2013 | <i>Voting When the Stakes Are High</i> | Jørgen Juel Andersen Jon H. Fiva Gisle James Natvik |
| 9/2013 | <i>Do Central Banks Respond to Exchange Rate Movements? A Markov-Switching Structural Investigation</i> | Ragna Alstadheim Hilde C. Bjørnland Junior Maih |

CAMP Forecast

Centre for Applied Macro- and Petroleum economics (CAMP) provides forecasts for key Norwegian macroeconomic variables. CAMP Forecasts aim to improve human knowledge on macroeconomic models and their forecasts.

- CAMP Forecasts for the year 2013 were published at www.bi.no/camp in December 2012 and April 2013.

PhD Exchange

- Vegard H. Larsen (CAMP) visiting PhD student at Berkeley 2013-2014.

CAMP and CAMA (Centre for Applied Macroeconomic Analysis) at Australia National University (ANU) have engaged in a PhD Exchange Program:

- Benjamin Wong (ANU) visiting PhD student at BI Norwegian Business School from March to May 2013.
- Leif Anders Thorsrud and Drago Bergholt (CAMP) visiting PhD students at CAMA on Australian National University from October to December 2013.

PhD Courses

CAMP has organized the following PhD courses in 2013:

| Date | Title and Description |
|--|---|
| 21 - 23 May BI Norwegian Business School | <i>PhD course in Oil Markets and the Macroeconomy with Lutz Kilian</i> Around 20 participants from various universities in Europe and Australia. |
| 9-12 September BI Norwegian Business School | <i>PhD course in Bayesian Econometrics with Luc Bauwens</i> Around 15 participants from various universities in Norway. |

Workshops

CAMP has organized the following workshops in 2013:

| Date | Title and Description |
|--|---|
| 24 May BI Norwegian Business School | <i>Workshop on Oil and the Macroeconomy</i> <u>Organizing committee</u> Hilde C. Bjørnland (BI, Norges Bank) Francesco Ravazzolo (BI, Norges Bank) Tommy Sveen (BI, Norges Bank) <u>Speakers and discussants</u> Douglas Laxton (International Monetary Fund) Knut Anton Mork (Handelsbanken) Ron Alquist (Bank of Canada) Benjamin Wong (Australian National University) Lutz Kilian (University of Michigan) Jing Cynthia Wu (Booth School of Business, University of Chicago) |

Bruno Gerard (BI Norwegian Business School)
 Lavan Mahadeva (Oxford Institute for Energy Studies, University of Oxford)
 Ragnar Torvik (NTNU Norwegian University of Science and Technology)
 Sam Wills (OXCarre, University of Oxford)
 Martin Seneca (Norges Bank)
 Tommy Sveen (BI Norwegian Business School)
 Vesna Corbo (Sveriges Riksbank)

Approximately 50 participants attended the workshop.

4 December
Australian National
University

Workshop on Commodities and the Macroeconomy

Organized by CAMP and Center for Applied Macroeconomic Analysis (CAMA)

Speakers

Hilde C. Bjørnland (CAMP, CAMA)
 Francesco Ravazzolo (Norges Bank, CAMP, CAMA)
 Joaquin Vespignani (University of Tasmania, CAMA)
 Jasmine Zheng (CAMA)
 Leif Anders Thorsrud (CAMP, visiting PhD scholar CAMA)
 Drago Bergholt (CAMP, visiting PhD scholar CAMA)
 Tim Robinson (Reserve Bank of Australia, CAMA)
 Warwick McKibbin (CAMA)

Papers Presented at International Conferences

Papers presented on related CAMP topics involving PhDs

| Date | Conference | Presenters |
|-----------------|--|---|
| January | ASSA meeting, American Economic Association, San Diego, USA | Hilde C. Bjørnland Leif Anders Thorsrud |
| July | Computing in Economics and Finance (CEF) conference, Vancouver, Canada | Drago Bergholt |
| July | Bank of Canada, Ottawa, Canada | Drago Bergholt |
| August | European Seminar on Bayesian Econometrics (ESOB), Norges Bank | Hilde C. Bjørnland Francesco Ravazzolo Leif Anders Thorsrud |
| November | Reserve Bank of New Zealand | Drago Bergholt Leif Anders Thorsrud |
| December | Computational and Financial Econometrics (CFE) conference, London UK | Francesco Ravazzolo Leif Anders Thorsrud |

Publications in International Journals Related to the Activities at Camp

Andersen, Jørgen Juel and Silje Aslaksen (2013): Oil and political survival, *Journal of Development Economics*, Elsevier, vol. 100(1), pages 89-106.

Acemoglu, Daron, Robinson, James A. and Ragnar Torvik (2013): Why do voters dismantle checks and balances? *Review of Economic Studies*, 2013, pages 845-875.

Bache, Ida Wolden, Sveen, Tommy and Torstensen, Kjersti Næss (2013): Revisiting the importance of non-tradable goods' prices in cyclical real exchange rate fluctuations, *European Economic Review*, Elsevier, vol. 57(C), pages 98-107.

Billio, Monica, Casarin, Roberto, Ravazzolo, Francesco and Herman van Dijk (2013): Time-varying Combinations of Predictive Densities using Nonlinear Filtering, *Journal of Econometrics*, 177(2), pages 213–232.

Bjørnland, Hilde C. and Dag H. Jacobsen (2013): House prices and stock prices: Different roles in the U.S. monetary transmission mechanism, *Scandinavian Journal of Economics* vol. 115(4), pages 1084-1106.

Robinson, James A. and Ragnar Torvik (2013): "Institutional comparative statics", in Daron Acemoglu, Manuel Arellano and Eddie Dekel (eds.), "Advances in Economics and Econometrics", 2013, Cambridge University Press: New York, pages 97-134.

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