

ANNUAL REPORT

Centre for Applied Macro- and Petroleum
economics (CAMP)

2015

BI

CAMP – Centre for Applied Macro- and Petroleum economics

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

Highlights from 2015:

- Three PhD courses held in Oslo
- Four workshops organized; three in Oslo and one in Melbourne, Australia
- Twelve Working papers
- Joint Seminar with Centre for Monetary Economics on “Economic and political consequences of the fall in oil prices”, Oslo 4 February

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 – using the Norwegian experience over the last four decades as a starting point – and focus on Norwegian challenges for the coming decades.

Professor Hilde C. Bjørnland in the Department of Economics at BI Norwegian Business School heads the research program. The new partnership will finance doctorate theses, doctorate degree courses, tutoring and other research activities modelled after the Research Council of Norway's template for national research schools. The program 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
Fabio Canova	<i>Professor</i>	BI Norwegian Business School
Junior Maih	<i>Associate Professor II</i>	Norges Bank
Francesco Ravazzolo	<i>Professor II</i>	Norges Bank
Tommy Sveen	<i>Professor</i>	BI Norwegian Business School
Leif Anders Thorsrud	<i>Assistant Professor</i>	BI Norwegian Business School
Ragnar Torvik	<i>Professor II</i>	NTNU

Doctoral Student Associates

Vegard Høghaug Larsen	<i>PhD Candidate</i>	BI Norwegian Business School
Frode Martin Nordvik	<i>PhD Candidate</i>	BI Norwegian Business School
Espen Skretting	<i>PhD Candidate</i>	BI Norwegian Business School
Sepideh Khayati Zahiri	<i>PhD Candidate</i>	BI Norwegian Business School
Julia Zhulanova	<i>PhD Candidate</i>	BI Norwegian Business School

Visiting Scholars

Knut Are Aastveit	<i>Senior Advisor</i>	Norges Bank
Ron Alquist	<i>Assistant Chief</i>	Bank of Canada
Christiane Baumeister	<i>Senior Analyst</i>	Bank of Canada
Drago Bergholt	<i>Economist</i>	Norges Bank
Yoosoon Chang	<i>Professor</i>	Indiana University
Marcelle Chauvet	<i>Professor</i>	University of California, Riverside
Vesna Corbo	<i>Researcher</i>	Sveriges Riksbank
Mardi Dungey	<i>Professor</i>	University of Tasmania
James Hamilton	<i>Professor</i>	University of California
Ana Maria Herrera	<i>Professor</i>	University of Kentucky
Dennis Karstanje	<i>PhD Candidate</i>	Erasmus University Rotterdam
Lutz Kilian	<i>Professor</i>	University of Michigan
Douglas Laxton	<i>Research Director</i>	International Monetary Fund
Lavan Mahadeva	<i>Senior Research Fellow</i>	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
Galo Nuno	<i>Economist</i>	European Central Bank
Michael Plante	<i>Senior Researcher</i>	Federal Reserve Bank of Dallas
Philiph Rothman	<i>Professor</i>	East Carolina University
Kenneth Singleton	<i>Professor</i>	Stanford University
Mike West	<i>Professor</i>	Duke University
Sam Wills	<i>PhD Candidate</i>	University of Oxford
Benjamin Wong	<i>PhD Candidate</i>	Australian National University
Jing Cynthia Wu	<i>Associate Professor</i>	University of Chicago

Working Papers

CAMP published nine working papers during 2015. These are listed below:

Issue	Title	Authors
1/2015	<i>Forecasting GDP with global components. This time is different.</i>	Hilde C. Bjørnland Francesco Ravazzolo Leif Anders Thorsrud
2/2015	<i>A new Monthly Indicator of Global Real Economic Activity</i>	Francesco Ravazzolo Joaquin L. Vespignani
3/2015	<i>The Political Economy of Public Income Volatility: With an Application to the Resource Curse</i>	James A. Robinson Ragnar Torvik Thierry Verdier
4/2015	<i>Sigma Point Filters For Dynamic Nonlinear Regime Switching Models</i>	Andrew Binning Junior Maih
5/2015	<i>Commodity prices and fiscal policy design: Procyclical despite a rule</i>	Hilde C. Bjørnland Leif Anders Thorsrud
6/2015	<i>The Value of News</i>	Vegard H. Larsen Leif Anders Thorsrud
7/2015	<i>Oil and macroeconomic (in)stability</i>	Hilde C. Bjørnland Vegard H. Larsen
8/2015	<i>Using Entropic Tilting to Combine BVAR Forecasts with External Nowcasts</i>	Fabian Krüger Todd E. Clark Francesco Ravazzolo
9/2015	<i>Optimal Portfolio Choice under Decision-Based Model Combinations</i>	Davide Pettenuzzo Francesco Ravazzolo
10/2015	<i>Oil-Price Density Forecasts of U.S. GDP</i>	Francesco Ravazzolo Davide Pettenuzzo
11/2015	<i>Foreign shocks</i>	Drago Bergholt
12/2015	<i>Applying Flexible Parameter Restrictions in Markov-Switching Vector Autoregression Models</i>	Andrew Binning Junior Maih

PhD Exchange

- Frode Martin Nordvik visited OxCarre at Oxford University in February and March.
- Vegard H. Larsen will visit Melbourne University and Reserve Bank of New Zealand in December.

PhD Courses

CAMP organized the following PhD courses during 2015:

Date	Title and Description
26-28 May BI Norwegian Business School	<i>“Oil Markets and the Macro Economy” with Hilde Bjørnland and Ragnar Torvik</i>
5-7 October BI Norwegian Business School	<i>“Bayesian Dynamic Modeling and Forecasting” with Mike West (organized by Leif Anders Thorsrud)</i>
16-18 November BI Norwegian Business School	<i>“Regime-Switching DSGE modeling in RISE” with Junior Maih (organized by Hilde C Bjørnland)</i>

Workshops

CAMP organized the following workshops and session at international conferences during 2015:

Date	Title and Description
5-6 March University of Oslo	<i>Workshop on Resource economies</i> <u>Organized by:</u> <ul style="list-style-type: none">• Centre for Applied Macro- and Petroleum Economics• ESOP – Centre for the Study of Equality, Social Organization and Performance• Oxford Centre for the Analysis of Resource Rich Economies <u>Speakers and discussants:</u> <ul style="list-style-type: none">• Borck Smitch (University of Oxford)• Chiara Ravetti (University of Oxford)• Daniel Spiro (University of Oslo)• Eivind H. Olsen (University of Oslo)• Gerhard Toews (University of Oxford)• Halvor Mehlum (University of Oslo)• Kjetil Storesletten (University of Oslo)• Leif Anders Thorsrud (BI Norwegian Business School)• Ohad Raved (University of Oxford)• Ragnar Torvik (Norwegian University of Science and Technology)• Sepideh Zahiri (BI Norwegian Business School)

18 March
Norges Bank

Workshop on Empirical Macroeconomics

Organized by:

- Centre for Applied Macro- and Petroleum Economics
- Norges Bank

Organizing committee:

- Hilde C. Bjørnland (BI Norwegian Business School, Norges Bank)
- Francesco Furlanetto (Norges Bank)
- Francesco Ravazzolo (Norges Bank)

Speakers and discussants:

- Ana Beatriz Galvão (Warwick Business School)
- Dimitris Korobilis (University of Glasgow)
- Fabio Milani (University of California Irvine)
- Francesco Furlanetto (Norges Bank)
- Hilde C. Bjørnland (BI Norwegian Business School)
- Ivan Petrella (Bank of England)
- Jim Stock (Harvard University)
- Joaquin Vespignani (University of Tasmania)
- Kevin Lansing (Federal Reserve Bank of San Francisco)
- Knut Are Aastveit (Norges Bank)
- Luca Gambetti (Universitat Autònoma de Barcelona)
- Marcelle Chauvet (University of California Riverside)
- Mark Bognanni (Federal Reserve Bank of Cleveland)
- Martin Stuermer (Federal Reserve Bank of Dallas)
- Radek Stefanski (University of St. Andrews)
- Tatevik Sekhposyan (Texas A&M University)
- Tatjana Dahlhaus (Bank of Canada)

15 October
BI Norwegian
Business School

Workshop on Uncertainty in Economics

Organized by:

- Centre for Applied Macro- and Petroleum Economics

Speakers and discussants:

- Alex Lenkoski (BigInsight)
 - Fabio Canova (Norges Bank and BI Norwegian Business School)
 - Francesco Ravazzolo (Norges Bank and BI Norwegian Business School)
 - Leif A. Thorsrud (BI Norwegian Business School)
 - Mike West (Duke University)
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3 December
Melbourne Institute,
Australia

Workshop on Applied Macroeconomics

Organized by:

- Centre for Applied Macro- and Petroleum Economics
- Melbourne Institute

Speakers and discussants:

- Guay Lim (Melbourne Institute)
 - Tim Robinson (Norges Bank and BI Norwegian Business School)
 - Hilde C. Bjørnland (BI Norwegian Business School)
 - Renée Fry-McKibbin (Australian National University and CAMA)
 - Joaquin Vespignani (University of Tasmania)
 - Mei Dong (University of Melbourne)
 - Vegard H. Larsen (BI Norwegian Business School)
 - Tomasz Wóznik (University of Melbourne)
 - Angus Moore (Reserve Bank of Australia)
 - José Dorich (Bank of Canada)
 - May Li (University of Melbourne)
 - Kalvinder Shields (University of Melbourne)
 - Farshid Vahid (Monash University)
 - Leif Anders Thorsrud (BI Norwegian Business School)
 - Adrian Pagan (Melbourne Institute and University of Sydney)
 - Yong Song (University of Melbourne)
 - Daan Steenkamp (Reserve Bank of New Zealand)
 - Drago Bergholt (Norges Bank)
 - Francesco Ravazzolo (BI Norwegian Business School and Norges Bank)
 - Michael Smith (Melbourne Institute)
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Papers Presented at International Conferences

Papers presented on related CAMP topics involving PhDs:

Date	Conference	Presenters
March	23 rd Symposium of the Society for Nonlinear Dynamics and Econometrics, Oslo, Norway	Hilde C. Bjørnland Leif Anders Thorsrud Francesco Ravazzolo Vegard H. Larsen Sepideh Zahiri
March	REPOA Annual conference on Natural Resources and Institutions, Tanzania	Ragnar Torvik
May	Commodity Market Workshop, Oslo, Norway	Sepideh Zahiri
June	The 10th Oslo-NHH Workshop in Macroeconomics, Oslo, Norway	Vegard H. Larsen
June	International Association for Applied Econometrics (IAAE) conference, Thessaloniki, Greece	Hilde C. Bjørnland Leif Anders Thorsrud Francesco Ravazzolo Vegard H. Larsen
June	2 nd International Workshop on Financial Markets and Nonlinear Dynamics (FMND), Paris, France	Sepideh Zahiri
June	Roundtable on Energy at International Economic Forum of the Americas, Montreal, Canada	Hilde C. Bjørnland
August	11 th World Congress of the Econometric Society, Montreal, Canada	Vegard H. Larsen
October	6 th ESOBE Annual Conference, Gerzensee, Switzerland	Vegard H. Larsen
December	9 th International Conference on Computational and Financial Econometrics (CFE 2015), University of London, UK	Frode Martin Nordvik

Forthcoming Publications in International Journals Related to the Activities at Camp

Aastveit, Knut Are, Hilde C. Bjørnland and Leif Anders Thorsrud (2015): What drives oil prices? Emerging versus Developed Economies, *Journal of Applied Econometrics*, forthcoming.

Bjørnland, Hilde C. and Leif Anders Thorsrud (2015): Boom or Gloom? Examining the Dutch disease in two-speed economies, *Economic Journal*, forthcoming.

Bjørnland, Hilde C., Knut Are Aastveit and Leif Anders Thorsrud (2015): The world is not enough! Small open economies and regional dependence, *Scandinavian Journal of Economics*, forthcoming.

Borge, Lars-Erik, Pernille Parmer and Ragnar Torvik (2015): Local Natural Resource Curse? *Journal of Public Economics*, forthcoming.

Kruger, Fabian, Todd E. Clark and Francesco Ravazzolo (2015): Using Entropic Tilting to Combine BAR Forecasts with External Nowcasts, *Journal of Business & Economic Statistics*, forthcoming.

CAMP in the Media

Selected media appearances by CAMP associates (mostly in Norwegian):

Date	Media	Involves
12 February	Dagens Næringsliv, omtale av forskning Gjestekommentar: «Tid for prioritering»	Hilde C. Bjørnland Leif Anders Thorsrud
23 February	Aftenposten, omtale av forskning og intervju «Australia og Norge er verdensmestre i livskvalitet. Nå kan festen gå mot slutten» http://www.aftenposten.no/amagasinet/langlesing/Australia-og-Norge-er-verdensmestre-i-livskvalitet-Na-kan-festen-ga-mot-slutten-7907914.html	Hilde C. Bjørnland Leif Anders Thorsrud
9 April	Dagens Næringsliv, gjestekommentar «Omstillingsdebatt på avveie»	Hilde C. Bjørnland
April	Samfunnsøkonomen: Omtale av forskning i Aktuell kommentar «Hva skjer når oljeprisen faller?» http://home.bi.no/a0310125/BT_Samfunns%C3%B8konomen_2_2015.pdf	Hilde C. Bjørnland Leif Anders Thorsrud
30 July	Dagens Næringsliv, gjestekommentar «Nitrist sommer»	Hilde C. Bjørnland
30 July	Finansavisen: Omtale av forskning og intervju «Blir det resesjon i Norge?»	Hilde C. Bjørnland Leif Anders Thorsrud
2 August	Financial times, interview «Scandinavian housing bubbles spark financial stability fears» http://www.ft.com/intl/cms/s/0/3fbb0eee-268c-11e5-9c4e-a775d2b173ca.html#axzz3jBcY4Pgp	Hilde C. Bjørnland

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