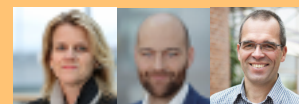




Term: Spring | July 2021

FROM THE DIRECTORS



In this newsletter, we inform you about the research and activities in the CAMP network for the first term of 2021. Since January 2021, the network has published seven papers and four working papers, as well as two forthcoming papers. Due to Covid-19, onsite conferences and events have been canceled, but CAMP researchers have still been present in the virtual academic world. Thanks to everyone who has contributed so far in 2021.

Blog: In the first term of 2021, we have published 12 blog posts about publications and the FNI index. You can read more and follow the blog [here](#).

FNI index: Already in February 2020, the FNI alarmed that we had tough times ahead. The index captured the development in the business cycle, but we observed that the uncertainty in the estimates increased. Therefore, we have now updated the algorithms we use to update the FNI index. This entails that the historical observations change somewhat but the broader picture remains. Our tests shows that the updated version is better at capturing the variation in the Norwegian economy than the previous version was. Read more about the FNI index on our [blog](#).

PHD students: During the Spring of 2021, two of our PhD students have successfully completed their PhD defences: Julia Zhulanova and Even Comfort Hvinden.

CAMP Deputy Director Ragnar Torvik, together with co-authors Halvor Mehlum and Simone Valente, was awarded the Best Paper Prize 2020 for their paper "Growth with age-dependent preferences" from the Publishers and Editorial Board of The Journal of International Trade & Economic Development.

- **Leif Anders Thorsrud, Ragnar Torvik and Hilde C. Bjørnland**

CAMP is established to bring together economists working on applied macroeconomic issues, with special emphasis on energy economics. CAMP's objectives are to advance research and postgraduate training in relevant fields. The centre conducts original research to improve the understanding of macroeconomic issues of resource rich economies, and act as a forum for discussion of policy issues between academia, government and the private sector.

Read more about CAMP [here](#).

PUBLICATIONS AND WORKING PAPERS

Publications Spring 2021:

Miller, I.J, Bjørnland, H.C. and Chang, Y. Introduction to New Developments in Econometrics of Energy and Climate. *Energy Economics*, 100, 1-3. Special issue on "Energy & Climate Econometrics"

Larsen, V. H., Components of uncertainty. *International Economic Review*, 2021, Vol 62(2)

Torvik, R., Formal Institutions and Development in Low-Income Countries: Positive and Normative Theory. *The Handbook of Economic Development and Institutions*, edited by Jean-Marie Baland, François Bourguignon, Jean-Philippe Platteau and Thierry Verdier, Princeton: Princeton University Press, 2020, pp. 103-136

Alstadheim, R., Bjørnland, H. C. and Maih, J., Do Central Banks Respond to Exchange Rate Movements? A Markov-Switching Structural Investigation of Commodity Exporters and Importers. *Energy Economics*, 2021, Volume 96

Bjørnland, H. C., Nordvik, F. M. and Rohrer, M. Supply Flexibility in the Shale Patch: Evidence from North Dakota. *Journal of Applied Econometrics*, 2021; 36: 273– 292

Canova, F. and Matthes, C. Dealing with misspecification in macroeconomic models, 2021, *Quantitative Economics*, Volume 12, Issue 2

Mehlum, H. and Torvik, R. The macroeconomics of COVID-19: a two-sector interpretation, *Review of Keynesian Economics*, 2021, Vol. 9 No. 2, Summer 2021, pp. 165–174

Canova, F. and Matthes, C. A composite likelihood approach for dynamic structural models, Forthcoming in *Economic Journal*

Aastveit, K.A., Bjørnland, H.C. and Cross, J. Inflation expectations and the pass-through of oil prices. Forthcoming in *Review of Economics and Statistics*.

Working Papers:

Gundersen, T. S. and Hvinden, E. S. OPEC's Crude Game: Strategic Competition and Regime-switching in Global Oil Markets. *CAMP Working Paper Series 01/2021*

Mehlum, H., Natvik, G. and Torvik, R. The Inefficient Combination: Competitive Markets, Free Entry, and Democracy. *CAMP Working Paper Series 02/2021*

Aastveit, K. A., Cross, J.L. and van Dijk, H.K. Quantifying time-varying forecast uncertainty and risk for the real price of oil. *CAMP Working Paper Series 03/2021*

Cross, J.L., Hou, C., Koop, G. and Poon, A. Macroeconomic Forecasting with Large Stochastic Volatility in Mean VARs. *CAMP Working Paper Series 04/2021*