

ECON5002: PhD Advanced Macroeconomics

Part 1

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SUGGESTED READINGS

1 Firm dynamics

1. DAVIS, Steven J.; FABERMAN, R. Jason; HALTIWANGER, John. Labor market flows in the cross section and over time. *Journal of Monetary Economics*, 2012, 59.1: 1-18.
2. FOSTER, Lucia; HALTIWANGER, John; KRIZAN, Cornell John. 8. Aggregate Productivity Growth: Lessons from Microeconomic Evidence. University of Chicago Press, 2007.
3. FOSTER, Lucia; HALTIWANGER, John; SYVERSON, Chad. Reallocation, firm turnover, and efficiency: Selection on productivity or profitability?. *American Economic Review*, 2008, 98.1: 394-425.
4. JOVANOVIC, Boyan. Selection and the Evolution of Industry. *Econometrica: Journal of the Econometric Society*, 1982, p. 649-670.
5. HALTIWANGER, John. Job creation and firm dynamics in the United States. *Innovation policy and the economy*, 2012, 12.1: 17-38.
6. HALTIWANGER, John; JARMIN, Ron S.; MIRANDA, Javier. Who creates jobs? Small versus large versus young. *Review of Economics and Statistics*, 2013, 95.2: 347-361.
7. HALTIWANGER, John, et al. High growth young firms: Contribution to job growth, revenue growth and productivity. *Measuring entrepreneurial businesses: Current knowledge and challenges*. National Bureau of Economic Research, Inc, 2015, 1-73.
8. HOPENHAYN, Hugo A. Entry, exit, and firm dynamics in long run equilibrium. *Econometrica: Journal of the Econometric Society*, 1992, p. 1127-1150

9. HOPENHAYN, Hugo A. Exit, selection, and the value of firms. *Journal of Economic Dynamics and Control*, 1992, 16.3-4: 621-653.
10. HOPENHAYN, Hugo; ROGERSON, Richard. Job turnover and policy evaluation: A general equilibrium analysis. *Journal of political Economy*, 1993, vol. 101, no 5, p. 915-938
11. LUCAS JR, Robert E. On the size distribution of business firms. *The Bell Journal of Economics*, 1978, p. 508-523.
12. LUTTMER, Erzo GJ. Selection, growth, and the size distribution of firms. *The Quarterly Journal of Economics*, 2007, 122.3: 1103-1144.
13. STERK, Vincent; SEDLÁČEK, Petr; PUGSLEY, Benjamin. The nature of firm growth. *American Economic Review*, 2021, 111.2: 547-79.

2 Misallocation

1. BARTELSMAN, Eric; HALTIWANGER, John; SCARPETTA, Stefano. Cross-country differences in productivity: The role of allocation and selection. *American economic review*, 2013, vol. 103, no 1, p. 305-34.
2. BENTO, Pedro; RESTUCCIA, Diego. Misallocation, establishment size, and productivity. *American Economic Journal: Macroeconomics*, 2017, vol. 9, no 3, p. 267-303
3. BENTO, Pedro; RESTUCCIA, Diego. On average establishment size across sectors and countries. *Journal of Monetary Economics*, 2020
4. GARICANO, Luis; LELARGE, Claire; VAN REENEN, John. Firm size distortions and the productivity distribution: Evidence from France. *American Economic Review*, 2016, vol. 106, no 11, p. 3439-79.
5. GOURIO, Francois; ROYS, Nicolas. Size-dependent regulations, firm size distribution, and reallocation. *Quantitative Economics*, 2014, vol. 5, no 2, p. 377-416.
6. GUNER, Nezh; VENTURA, Gustavo; XU, Yi. Macroeconomic implications of size-dependent policies. *Review of Economic Dynamics*, 2008, vol. 11, no 4, p. 721-744.
7. HOPENHAYN, Hugo A. Firms, misallocation, and aggregate productivity: A review. *Annu. Rev. Econ.*, 2014, vol. 6, no 1, p. 735-770.
8. HOPENHAYN, Hugo A. On the measure of distortions. *National Bureau of Economic Research*, 2014.
9. HSIEH, Chang-Tai; KLENOW, Peter J. Misallocation and manufacturing TFP in China and India. *The Quarterly journal of economics*, 2009, vol. 124, no 4, p. 1403-1448.

10. HSIEH, Chang-Tai; KLENOW, Peter J. The life cycle of plants in India and Mexico. *The Quarterly Journal of Economics*, 2014, vol. 129, no 3, p. 1035-1084
11. PETERS, Michael. Heterogeneous markups, growth, and endogenous misallocation. *Econometrica*, 2020, vol. 88, no. 5, p. 2037-2073.
12. RESTUCCIA, Diego; ROGERSON, Richard. Policy distortions and aggregate productivity with heterogeneous establishments. *Review of Economic dynamics*, 2008, vol. 11, no 4, p. 707-720
13. RESTUCCIA, Diego; ROGERSON, Richard. Misallocation and productivity. *Review of Economic dynamics*, 2013, 16.1: 1-10.

3 Trade with heterogeneous firms

1. BERNARD, Andrew B., et al. Firms in international trade. *Journal of Economic perspectives*, 2007, 21.3: 105-130.
2. BERNARD, Andrew B., et al. Plants and productivity in international trade. *American economic review*, 2003, 93.4: 1268-1290.
3. BERNARD, Andrew B.; JENSEN, J. Bradford; SCHOTT, Peter K. Trade costs, firms and productivity. *Journal of monetary Economics*, 2006, 53.5: 917-937.
4. BERNARD, Andrew B., et al. The margins of US trade. *American Economic Review*, 2009, 99.2: 487-93.
5. CHANEY, Thomas. Distorted gravity: the intensive and extensive margins of international trade. *American Economic Review*, 2008, vol. 98, no 4, p. 1707-21.
6. DEMIDOVA, Svetlana; RODRIGUEZ-CLARE, Andres. The simple analytics of the Melitz model in a small economy. *Journal of International Economics*, 2013, 90.2: 266-272.
7. EATON, Jonathan, et al. The margins of entry into export markets: evidence from Colombia. 2008. In *The Organization of Firms in a Global Economy*, ed. Elhanan Helpman, Dalia Marin, and Thierry Verdier, 231-72. Cambridge, MA: Harvard University Press
8. EATON, Jonathan; KORTUM, Samuel; KRAMARZ, Francis. An anatomy of international trade: Evidence from French firms. *Econometrica*, 2011, 79.5: 1453-1498.
9. KRUGMAN, Paul. Scale economies, product differentiation, and the pattern of trade. *The American Economic Review*, 1980, vol. 70, no 5, p. 950-959.
10. MELITZ, Marc J. The impact of trade on intra-industry reallocations and aggregate industry productivity. *econometrica*, 2003, vol. 71, no 6, p. 1695-1725.

11. MELITZ, Marc J.; OTTAVIANO, Gianmarco IP. Market size, trade, and productivity. *The review of economic studies*, 2008, 75.1: 295-316.
12. MELITZ, Marc J.; REDDING, Stephen J. Heterogeneous firms and trade. *Handbook of international economics*, 2014, 4: 1-54.
13. MELITZ, Marc J.; REDDING, Stephen J. New trade models, new welfare implications. *American Economic Review*, 2015, 105.3: 1105-46.

4 Frictions

1. ABRAHAM, Katharine G.; HALTIWANGER, John C.; RENDELL, Lea E. How Tight Is the US Labor Market?. *Brookings Papers on Economic Activity*, 2020, 2020.1: 97-165.
2. COOPER, Russell; HALTIWANGER, John; WILLIS, Jonathan L. Search frictions: Matching aggregate and establishment observations. *Journal of Monetary Economics*, 2007, 54: 56-78.
3. DAVIS, Steven J.; FABERMAN, R. Jason; HALTIWANGER, John. The flow approach to labor markets: New data sources and micro-macro links. *Journal of Economic perspectives*, 2006, 20.3: 3-26.
4. DAVIS, Steven J.; FABERMAN, R. Jason; HALTIWANGER, John C. The establishment-level behavior of vacancies and hiring. *The Quarterly Journal of Economics*, 2013, 128.2: 581-622.
5. ELSBY, Michael WL; MICHAELS, Ryan. Marginal jobs, heterogeneous firms, and unemployment flows. *American Economic Journal: Macroeconomics*, 2013, 5.1: 1-48.
6. FABERMAN, R. Jason. 2. Studying the Labor Market with the Job Openings and Labor Turnover Survey. University of Chicago Press, 2009.
7. MORTENSEN, Dale T.; PISSARIDES, Christopher A. Job creation and job destruction in the theory of unemployment. *The review of economic studies*, 1994, 61.3: 397-415.
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9. MORTENSEN, Dale T.; PISSARIDES, Christopher A. Job reallocation, employment fluctuations and unemployment. *Handbook of macroeconomics*, 1999, 1: 1171-1228.
10. PISSARIDES, Christopher A. Equilibrium in the labor market with search frictions. *American Economic Review*, 2011, 101.4: 1092-1105.

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