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"Securitization"Date: 2008-06

By: Hyman P. Minsky

L. Randall Wray

URL: <http://d.repec.org/n?u=RePEc:lev:levypn:08-2&r=his>

"At the annual banking structure and competition conference of the Federal Reserve Bank of Chicago in May 1987, the buzzword heard in the corridors and used by many of the speakers was 'that which can be securitized, will be securitized.'" So notes Hyman Minsky in a prescient memo on the nature, and the implications, of securitization, written 20 years before an explosion in the securitization of home mortgages helped create the current financial crisis. This memo, which served as the basis for a lecture in Minsky's monetary theory class at Washington University, has not been widely circulated. It is published here in its entirety, with a preface and an afterword by Senior Scholar L. Randall Wray that places Minsky's work in context.

The Rise and Fall of the Dollar, or When Did the Dollar Replace Sterling as the Leading International Currency?Date: 2008-07

By: Barry Eichengreen

Marc Flandreau

URL:

<http://d.repec.org/n?u=RePEc:nbr:nberwo:14154&r=his>

We present new evidence on the currency composition of foreign exchange reserves in the 1920s and 1930s. Contrary to the presumption that the pound sterling continued to dominate the U.S. dollar in central bank reserves until after World War II, we show that the dollar first overtook sterling in the mid-1920s. This suggests that the network effects thought to lend inertia to international currency status and to create incumbency advantages for the dominant international currency do not apply in the reserve currency domain. Our new evidence is similarly incompatible with the notion that there is only room in the market for one dominant reserve currency at a point in time. Our findings have important implications for our understanding of interwar monetary history but also for the prospects of the dollar and the euro as reserve currencies.

JEL: F0 F33 N1 N2

The institutions of house tenancy markets in post-war Western Europe: an economic analysis Date: 2008-06

By: Juan S. Mora

URL: <http://d.repec.org/n?u=RePEc:cte:whrepe:wp08-11&r=his>

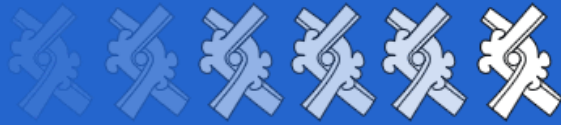
This study provides an economic analysis of the post-War institutions of the European tenancy markets. Two

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representative types of market interventions are analyzed: the introduction of compulsory terms in the tenancy contracts and rent control. First of all this study offers a description and an analysis of the recent history of those institutions. The cases of Spain (as a benchmark), Italy, Finland and UK are analyzed more in depth, as examples of "big reformers" during the 20th century, in order to extract some general conclusions about the evolution of the European institutions in the last decades. Then the effects of those interventions are theoretically explored by adapting a model of tenancy markets (Basu and Emerson, 2000). The results show that the analyzed institutions potentially entail negative effects for the European tenancy markets. Those effects are consistent with the tendencies observed during the second half of the 20th century in the different european markets.

Keywords: Rent control, Institutions, Tenancy contracts, Compulsory terms

JEL: N4 K12 L51 R31 O47

Lessons from the Ottoman Harem (On Ethnicity, Religion and War)Date: 2008-06

By: Iyigun, Murat (University of Colorado, Boulder)

URL:

<http://d.repec.org/n?u=RePEc:iza:izadps:dp3556&r=his>



The Ottoman Empire had a profound impact in Europe, the Middle East and North Africa at the apogee of its power, covering the era between 1453 C. E. and 1699 C. E. In this paper, I exploit the empire's unique culture and institutions to examine the roles of ethnicity and religion in conflict and war. Based on one theory, the Ottoman conquests were driven by the Gaza ideology according to which the empire's central motivation was provided by a spirit of Holy War in the name of Islam. This is generally emphasized as the reason why the Ottomans initiated more conflicts in the West, and why on the eastern fronts, more conflicts were started by its rivals. Another not necessarily mutually exclusive theory claims that the Imperial Harem wielded considerable political power in Ottoman affairs. Accordingly, the members of the Harem with different ethnic or religious backgrounds often lobbied the Sultan to influence the geography of Ottoman conquests. Using comprehensive data on Ottoman wars and conflicts between 1401 C. E. and 1700 C. E., I document that Ottoman conquests were concentrated in the West throughout the mid-16th century. Then, I show that the ethnic background of Valide Sultan (the queen mother) was an important and independent determinant of whether the empire engaged in military conquests in Europe, North Africa or the Middle East. Depending on the empirical specification, the reign of a sultan with a European maternal genealogy was enough to offset more than 70 percent of the empire's western orientation in imperial conquests. Still, these findings do not rule out the possibility that the sultans' ethnic and cultural

heritages – but not the politics of the queen mothers or their Harems – influenced Ottoman conquests.

Keywords: conflict, religion, production and appropriation, family economics

JEL: C72 D74 N33 N43 O10

Industrial Development, Firm Dynamics and Patterns of Productivity Growth: The Case of the Cotton-spinning Industry in Prewar Japan, 1894-1924
Date: 2008-07

By: OKAZAKI Tetsuji

URL:

<http://d.repec.org/n?u=RePEc:eti:dpaper:08021&r=his>

This paper explores the relationship between patterns of productivity growth and the development stage of an industry, using firm-level data on the cotton-spinning industry in Japan in the late-nineteenth century. It is found that patterns of productivity growth depend on the development stage of the industry. In the earlier stage of industrial development, the productivity growth of each firm, namely the within effect, was the sole major source of aggregate productivity growth. On the other hand, once the industry had matured, resource reallocation across firms became a major source of aggregate productivity growth, along with the within effect. This relationship between patterns of productivity growth and the development stage of an industry is considered to reflect the stage-dependent patterns of innovation and competition.

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Proximate causes of economic growth in Spain, 1850-2000
Date: 2008-06

By: Leandro Prados de la Escosura

Joan R. Rosés

URL: <http://d.repec.org/n?u=RePEc:cte:whrepe:wp08-12&r=his>

Between 1850 and 2000, Spain's real output and labor productivity grew at average rates of 2.5 and 2.1 percent. The sources of this long-run growth are investigated here for the first time. Broad capital accumulation and efficiency gains appear as complementary in Spain's long-term growth. Factor accumulation dominated long-run growth up to 1950, while total factor productivity led thereafter and, especially, during periods of growth acceleration. The main spurts in TFP and capital coincide with the impact of the railroads (1850s-80), the electrification (the 1920s and 1950s) and to the adoption of new vintage technology during the Golden Age.

Keywords: Total factor productivity, Factor accumulation, Spain

Beyond Orality and Literacy: Letters and Organizational Communication
Date: 2008-06

By: Fayard, Anne-Laure (Polytechnic Institute of New York University)

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Metiu, Anca (ESSEC Business School)

URL: <http://d.repec.org/n?u=RePEc:ebg:essewp:dr-08014&r=his>

We draw on communication theories to study organizational communication from a literacy perspective. We suggest that the current debate over the capability of new media to foster the sharing and development of ideas and allow the expression of emotions, which presupposes face-to-face communication as the ideal form of communication, disappears once we switch the focus from the medium to the modality – written versus oral communication. An analysis of personal and organizational letters illustrates the role played by written communication throughout human history, in exchanging ideas and supporting emotional

Keywords: Orality and Literacy; Online Interactions; Communicative Practices; Letters; Organizational Communication

JEL: Z13

Trade and Empire, 1700-1870 Date: 2008

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<http://d.repec.org/n?u=RePEc:fce:doctra:0824&r=his>

Europe and Globalization, 1870-1914Date: 2008

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<http://d.repec.org/n?u=RePEc:fce:doctra:0817&r=his>

Lifting the Curse of Dimensionality: Measures of the Labor
Legislation Climate in the States During the Progressive
EraDate: 2008-07

By: Price V. Fishback

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<http://d.repec.org/n?u=RePEc:nbr:nberwo:14167&r=his>

One of the most difficult problems in the social sciences is measuring the policy climate in societies. Prior to the 1930s the vast majority of labor regulations in the U.S. were enacted at the state level. In this paper we develop several

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summary measures of labor regulation that document the changes in labor regulation across states and over time during the Progressive Era. The measures include an Employer-Share-Weighted Index (ESWI) that weights regulations by the share of workers affected and builds up the overall index from 17 categories of regulation; the number of pages of laws; appropriations for spending on labor issues per worker; and two nonparametric COORDINATES that summarize locations in a policy space. We describe the pluses and minuses of the measures, how strongly they are correlated, and show the stories that they tell about the changes in labor regulation during the progressive era. We then provide preliminary evidence on the extent to which the labor regulation measures are associated with political and economic correlates identified as important in histories of industrial relations and labor markets.

JEL: J18 K31 N31 N32 N41 N42

Explaining vineyard specialization in the province of Barcelona (Spain) in the mid-19th century
Date: 2008

By: Enric Tello

Marc Badia-Miro

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<http://d.repec.org/n?u=RePEc:bar:bedcje:2008201&r=his>

We present a statistical model of agrarian vineyard specialization in the province of Barcelona towards 1860, that combines the Boserupian push of population increase, the demand pull of a Smithian-type of growth (measured by the time-distances to the nearest seaport), and the agrological lands suitability for sowing grain or growing vines (as measured by water stress, slopes and frost risk). The overall outcome of the adjusted R2 levels, which range from 0.608 to 0.826, can be considered very successful. The inequality in land ownership is another factor that we believe to have played an important role, but has had to be omitted for the moment due to the lack of statistical data. Further research is also needed to deal with a possible endogeneity problem that working with socio-demographic variables entails.

Keywords: wine international market integration, regional land-use patterns, vineyard specialization, population pressure, agrological suitability

JEL: N74 R14 O13 Q56 N53 O18 Q15 Q17 Q13 R12

Oil crisis, energy-saving technological change and the stock market crash of 1973-74
Date:2008

By: Sami Alpanda

Adrian Peralta-Alva

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URL: <http://d.repec.org/n?u=RePEc:fip:fedlwp:2008-019&r=his>

The market value of U.S. corporations was nearly halved following the oil crisis of October 1973. Real energy prices more than doubled by the end of the decade, increasing energy costs and spurring innovation in energy-saving technologies by corporations. This paper uses a neo-classical growth model to quantify the impact of the increase in energy prices on the market value of U.S. corporations. In the model, corporations adopt energy-saving technologies as a response to the energy price shock and the price of installed capital falls due to investment irreversibility. The model calibrated to match the subsequent decline in energy consumption in the U.S. generates a 24% decline in market valuation - accounting for nearly half of what is observed in the data.

Keywords: Stock market ; Petroleum industry and trade