FADI HASSAN

CONTACT DETAILS:

Arts Building 3018
Department of Economics,
Trinity College Dublin,
Dublin 2, Ireland
+44 788 276 83 74 (mobile)
fhassan@tcd.ie

CURRENT POSITION

Assistant Professor of Economics (with tenure), Department of Economics, Trinity College Dublin

Research Associate, CEP, London School of Economics and Political Science

EDUCATION:

2008-2013 PhD, "Essays in International and Development Economics", London School of Economics

2007-2008 MSc (Research), Economics, London School of Economics

2000-2005 BA and MA Economics (3+2), University of Pavia, Italy

REFERENCES:

Philip Lane
Whately Professor of Political Economy
Trinity College Dublin
Governor to be Central Bank of Ireland
plane@tcd.ie

Gianmarco Ottaviano
Professor of Economics
London School of Economics
g.i.ottaviano@lse.ac.uk

JOB MARKET PAPER

"The Price of Development: the Penn-Balassa-Samuelson effect revisited",
Revise & Resubmit, Journal of International Economics.
FEEM Prize of the European Economic Association.
To be presented at the AEA, discussant Robert Feenstra, 05 January at 10.15.

FIELDS

Primary: applied economics, international economics
Secondary: development economics

TEACHING EXPERIENCE:

2013-2015	Macroeconomics, International Economics, World Economy; Trinity College.
2012-2013	Quantitative Approaches and Policy Analysis; London School of Economics.
2011-2012	International Economics; London School of Economics (Teaching Prize Winner)
2010-2011	Macroeconomic Policy and Theory; University College London (Teaching Prize Winner)
2009-2011	Introduction to Economics; London School of Economics (Teaching Prize Winner)

CONSULTING EXPERIENCE:

ECB, The World Bank, European Investment Bank, EU Commission DG-ECFIN, UniCredit Research

REFEREE:

Journal of Economic Growth, Review of International Economics, Oxford Bulletin of Economics and Statistics, Journal of Regional Science, Economica.

LANGUAGES

Fluent: Italian, English, and Spanish. Good knowledge: Arabic and Portuguese

GRANTS, HONORS, AND SCHOLARSHIPS:

2015	European Commission – ECFIN (50,000€)
2015	European Investment Bank (15,000€)
2015	ENEL Foundation Research Grant (50,000€)
2014	World Economic Forum, Coca-Cola Challenge, first prize (50,000$)
2014	LSE-STICERD Research grant (5,000£)
2013	ENEL Foundation Research Grant (25,000€)
2012	FEEM Award, European Economic Association
2011, 2012	Departmental Teaching Prize, Department of Economics, London School of Economics
2011	Excellence in Teaching Award, Department of Economics, University College London
2010-2012	Research Studentship, London School of Economics
2008-2010	"Marco Fanno" scholarship for doctoral studies
2007-2008	“Einaudi Institute" scholarship for master studies

ACADEMIC PAPERS AND WORK IN PROGRESS:

"The Price of Development: the Penn-Balassa-Samuelson effect revisited"
R.&R. Journal of International Economics, FEEM the Prize of the European Economic Association

The Penn-Balassa-Samuelson effect is the stylized fact about the positive correlation between cross-country price level and per-capita income. This paper provides evidence that the price-income relation is actually non-linear and turns negative in low income countries. The result is robust along both cross-section and panel dimensions. Additional robustness checks show that biases in PPP estimation and measurement error in low-income countries do not drive the result. The different stage of development between countries can explain this new finding. The paper shows that a model linking the price level to the process of structural transformation captures the non-monotonic pattern of the data.

"Banks, Credit, and Productivity Growth"
with Filippo di Mauro (ECB) and Gianmarco Ottaviano (LSE). Financed by the ECB and the EIB.

A fundamental role of the financial sector is to allocate capital efficiently. This implies that banks and financial markets should invest capital in the sectors and firms that are expected to have higher returns and withdraw it from those with poor prospects.
The allocative efficiency of the financial sector is often taken for granted. The aim of this paper is to study the extent to which banks and markets service their purpose to allocate capital to its most productive uses. We aim to identify the drivers and the frictions of this allocative efficiency and quantify its impact on aggregate TFP differences across eurozone countries.

"Productivity in Italy: The Great Unlearning"
with Sara Calligaris (Tor Vergata), Massimo del Gatto (University of Pescara), Gianmarco Ottaviano (LSE) and Fabiano Schivardi (Bocconi). Financed by the European Commission DG-ECFIN

Following rapid post-war growth, Italy's GDP per capita overtook the OECD average by 1980s. However, since the mid-1990s, Italy's economic growth faltered, primarily due to sluggish total factor productivity (TFP) growth. Over 1995-2013, TFP in Italy actually declined by 0.3% per annum, while increasing in other euro area countries and even more in non-EU countries. We show that the decline of TFP is mostly driven by resource misallocation across firms. The within-sector/geographic area/firm size component of misallocation turns to be the prevailing one. We aim to identify the drivers of firm level misallocation by disentangling the effects of different factors like corporate ownership, workforce composition, access to finance, R&D, internationalization, and cronyism.

"Powering Education"
with Paolo Lucchino (LSE). WEF/Coca-Cola Challenge prize winner. Financed by ENEL Foundation, WEF/Coca Cola, STICERD. Featured in the Guardian and the Walll Street Journal.

We evaluate the impact of light access on education in areas with no electrification. We distribute solar lamps to 7th grade pupils in rural Kenya and monitor their educational outcome throughout the year at quarterly frequency. Light access through solar lamps turns to be a relevant and effective input to education in the lack of electrification. Once our identification strategy accounts for spillovers, by exploiting natural variation of treatment intensity across classes, we find a positive and significant intention-to-treat effect as well as a positive and significant spillover effect on control students. In a class where 50% of pupils receive a lamp, treated students experience an increase in grades in mathematics of 14-18 points. Moreover, we find a positive marginal effect of treatment intensity on control students; raising the share of treated students in a class by 10%increases the grades of control students by up to 4 points. Finally, we exploit household geolocalization to disentangle within-class and geographical spillovers. We show that geographical spillovers are present and they account for about 25% of the overall spillovers on control students, while the remaining part arises from within-school interaction.

"Not in my backyard: the trade effects of neighbour's civil war - the case of Syria"
with Massimiliano Calì (World Bank). Financed by the World Bank.

We look at the trade effect of civil wars that extend beyond the country's borders affecting the neighbouring countries. In order to disentangle various mechanisms through which a civil war can affect neighboring countries' trade, we focus on the impact of the Syrian conflict on Lebanon and Jordan. We exploit firm level data for both Lebanese and Jordanian exporters, in order to identify and quantify the effect of the war on the Syrian market, the markets that exporters used to serve passing through Syria, and other markets. We distinguish between the intensive and extensive margin. It turns that the war can have positive effects on the extensive margin as the destruction of Syrian firms that served either Syria itself or markets abroad can be replaced by neighbor's firms. This effect is significant for Lebanese firms and not for Jordanian firms suggesting that pre-war ties between Syria and Lebanon, which are stronger than with Jordan, can play an important role.

"Foreign Capital Flows and Income Inequality in Emerging Markets"

Some developing countries experience a prolonged period of real exchange rate overvaluation after they have opened their capital and current accounts. This real exchange rate overvaluation tend to produce, or at least is associated with, rising income inequality within the society. In this work we present a general equilibrium model that disentangles the mechanisms that can link foreign capital flows to income inequality through the impact of real exchange rate adjustment on the price of labor and quantity of employment. We show that the prediction of the model is consistent with the case of Argentina.