Summaries of Articles

Show me the money: retained earnings and the real effects of monetary shocks, by Matthias Doepke

The empirical literature on monetary policy shocks documents that contractionary shocks are followed by a persistent rise in interest rates and a persistent fall in output. Standard monetary business cycle models can account for the initial effects of monetary shocks, but have difficulty generating persistence. In this paper, I examine whether frictions that affect the asset allocation decisions of households can lead to persistent effects. In the model economy, households hold two assets, one used for transactions (the checking account) and one used for investment (the savings account). There is a small transaction cost for moving funds between the accounts. Another key feature of the economy is that the business sector accumulates retained earnings and credits profits to the consumers only with a delay. I show that in this environment monetary shocks have persistent effects even when the adjustment cost is very small.

Éducation, emploi et participation au marché du travail dans un modèle d'appariement, by Olivier Charlot

The ageing of workers is a key factor to explain their different performance on the labour market. Employment rates by age are in general bell-shaped, whereas unemployment rates by age are generally continously decreasing. Over the past decades, employment and participation rates have particularly decreased for two different age categories : the youngest and the

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eldest. We build a matching model of unemployment aimed at understanding these features.

Choix d'imposition et interactions spatiales entre collectivités locales : un test sur les départements français, by Matthieu Leprince, Sonia Paty and Emmanuelle Reulier

This article provides an empirical test for the existence of spatial tax interactions among French sub-national jurisdictions at the *département* level. We estimate a spatial model of interdependent tax choices on a 1999 data set of the four main taxes and the usual socio-economic variables. We find evidence of significant horizontal tax interactions for all taxes except for the tax on housing levied on households. Therefore, we conclude that empirical evidence is in favor of the hypothesis that jurisdictions at the *département* level compete for economic activities, but not for households. We demonstrate that this conclusion is in line either with yardstick competition models à la Besley and Case (1995a) or with tax competition models à la Wildasin (1988).

Croyances de survie et choix de contrat d'assurance décès : une étude empirique, by Meglena Jeleva

This article is an empirical study of the self-perceived mortality risk and of its impact on life insurance decisions. The sample contains individuals between 45 and 65 years old, who were asked about their self-perceived risk, their health characteristics, socioeconomic situation as well as about the characteristics of their life insurance contracts. The impact of the various diseases and of smoking on the mortality beliefs observed confirms the individuals' rationality. The objective characteristics reveal however not to be sufficient to explain the self-perceived risks, the impact of uncertainty aversion being significant. Besides, the decisions of purchasing or not life insurance and of the insured amount seem taken separately. Indeed, variables explaining the two decisions differ.

Ressources renouvelables et quotas d'exploitation dans un modèle à générations imbriquées, by Pierre-André Jouvet and Gilles Rotillon

We consider a transferable quotas market in order to manage a renewable resource in an overlapping generations framework. Each agent can

use or not the quotas that he or she possesses in the production process. The use of the quotas in the production process leads to their destruction and also leads to reduce the stock of resource; the non-use of the quotas allows their owner to resell them in the second time period on the financial market. We show that the resource management with a market of quotas is possible only for some initial resource level. In this case, quotas allows to a unique steady state equilibrium for any choice of quotas allocation.