

List of Papers - Read during spring 2012 visit at CREI-UPF

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1 Policy distortions and aggregate productivity with heterogenous establishments, Restuccia and Rogerson 2008

Ideas-repec link <http://ideas.repec.org/a/red/issued/07-48.html>

1.1 Main message

In a general equilibrium model *à la* Hopenhayn (1992), authors study the reallocation effect of a large range of policy. They calibrated the undistorted economy to the US. They study the effect of tax on the output price correlated and uncorrelated to the productivity level. They show that when the tax are not correlated the effect of a 40% tax leads to a drop in TFP (only TFP, they correct for the effect on capital accumulation) of 8%. In the case of subsidizing low productivity firms and taxing high productivity firms, the same tax leads to a drop of TFP of 31% only due to misallocation of output(?).

- 2 Models of Idea Flows, Alvarez *et al.* 2007
- 3 Endogenous Entry, Product Variety, and Business Cycles, Bilbiie *et al.* 2012
- 4 Model of Growth and Firm Heterogeneity, Luttmer 2010
- 5 Entry, Exit and firm Dynamics in Loong Run Equilibrium, Hopenhayn 1992
- 6 The Dynamics of Productivity in the Telecommunications Equipment Industry, Olley and Pakes 1996
- 7 Power Laws in Economics and Finance, Gabaix 2010

References

- [1] Hugo A Hopenhayn. Entry, exit, and firm dynamics in long run equilibrium. *Econometrica*, 60(5):1127–50, September 1992.
- [2] Diego Restuccia and Richard Rogerson. Policy distortions and aggregate productivity with heterogeneous plants. *Review of Economic Dynamics*, 11(4):707–720, October 2008.