

Benjamin Wache

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POSITIONS

CPB Netherlands Bureau for Economic Policy Analysis

Economist

Kiel Institute

Research Fellow

Den Haag, Netherlands

Nov 2022 – Present, Full-Time

Kiel, Germany

Sep 2021 – Present

RESEARCH INTERESTS

Primary: International Economics

Secondary: Spatial Economics, Finance, Macroeconomics

EDUCATION

Vrije Universiteit Amsterdam

PhD in Economics

Columbia University

Visiting PhD Student

Tinbergen Institute

MPhil in Economics

University of Munich

MSc in Economics

Kiel Institute

Advanced Studies Program

University of Bayreuth

BSc in Economics

Amsterdam, Netherlands

Jan 2019 – Mar 2024 (expected)

New York City, United States

Jan 2020 – Jun 2020

Amsterdam, Netherlands

2016 – 2018

Munich, Germany

2013 – 2016

Kiel, Germany

2014 – 2015

Bayreuth, Germany

2009 – 2013

PRESENTATIONS

2023: ENTFIN

2022: FIW, Mainz, Vrije Universiteit Amsterdam Finance

2021: RGS Graduate Student Conference, KVS New Paper Session, ETSG Ghent, RIEF Doctoral Meeting, VfS Jahrestagung, UC Davis LSE Economic History Coffee Hour, Maastricht, IfW Kiel

2020: Columbia University

2019: De Nederlandsche Bank

SKILLS

Programming: Stata, Python, R, GIS, Matlab

Languages: German (Native), English (Fluent), Dutch (Fluent), French (Basic), Hebrew (Basic)

TEACHING EXPERIENCE (TEACHING ASSISTANT)

BSc: Macroeconomics, Statistics

MSc: Macroeconomics, Climate Economics, Urban Economics

PhD: Macrofinance

Information Flows and Global Capital Allocation: Evidence from the Telegraph | [Paper](#)

Abstract: How does information impact the international allocation of capital? Using the global rollout of telegraph cables in the 19th century, I show causal evidence that reductions in information frictions had a significant and positive impact on the bilateral international flow of financial capital from the UK. The results indicate that the telegraph lead to more than a doubling of capital flows. For identification I use a geographic instrument, the ruggedness of the seabed. The effect of the telegraph was stronger for capital flows to businesses than to governments, and was significantly positive for flows to most industries. The telegraph had a direct and sizable impact on capital flows that was distinct from the increase in capital flows due to the telegraph's effect on trade. Using data from historical British newspapers, I show that the annual number of articles mentioning connected countries increased around the arrival of the telegraph. I interpret this as evidence that part of the mechanism through which the telegraph affected capital flows went through the news channel.

Social Connectedness and the Geography of Venture Capital Flows | [Paper](#)

Abstract: This paper examines the role of social connectedness in shaping cross-county venture capital (VC) investments. I study yearly county-to-county VC investments, and find a very large effect: a 1% increase in social connectedness is associated with a $\sim 0.5\%$ increase in VC investment. When controlling for social connectedness, physical distance becomes irrelevant as a determinant of VC flows. This result is robust to the addition of several bilateral controls (travel time, trade, commuting, migration). I find that early stage funding is more strongly impacted, and that counties with higher levels of social access to VC host more and better startups.

The Impact of Venture Capital Investments on Local Economic Growth | [Paper](#)

Joint with Steven Poelhekke

Abstract: Does venture capital (VC) investment yield economic growth? A large literature studies the effect of VC investments on firm-level activity, but its effects on economic growth are less well understood. We identify the effect of VC investment flows on destination county employment, wages, and establishment creation, using a novel instrument that captures the 'social connectedness' of counties to major non-local sources of VC investment. Using detailed data on investor-to-company VC flows, we find a large positive impact of VC investment, suggesting that strong social connections to large venture capital hubs are an important contributor to regional economic growth.

WORK IN PROGRESS

The (Geo-)Politics of Global Telecommunications Infrastructure

Joint with Michael Porcellacchia and Christoph Trebesch