

Norman Loayza

Address: 1818 H Street, N.W., Washington, DC 20433

Ph. (202) 473-3855. Fax (202) 522-3518

E-mail: nloayza@worldbank.org

Education

- 1990-1994 **Harvard University, Graduate School of Arts and Sciences**
Ph.D. degree in Economics, June 1994. Concentration in macroeconomics, international economics, and econometrics.
- 1990-1992 **Harvard University, Graduate School of Arts and Sciences**
Master of Science degree in Economics, June 1992.
- 1989-1990 **Brigham Young University**
Master of Science degree in Applied Economics, December 1990.
- 1986-1988 Bachelor of Arts degree, *magna cum laude*, in Economics (major) and Sociology (minor), August 1988.

Professional Experience

- Jul. 2012 – Present **The World Bank**
Director, World Development Report 2014 on *Managing Risk for Development*.
- Jul. 2003 – Jun. 12 **The World Bank**
Lead Economist in the Macroeconomics and Growth Team, Development Economics Research Group.
- Jan. 2001 – Jun. 03 **The World Bank**
Senior Economist in the Macroeconomics and Growth Team, Development Economics Research Group.
- Nov. 98 – Dec. 2000 **Central Bank of Chile**
Senior Economist in the Economic Research Unit. On leave from the World Bank.
- Sept. 1996 – Nov. 98 **The World Bank**
Economist in the Chief Economist Office, Latin America Region, and in the Macroeconomics and Growth Division, Policy Research Department
- May 1994 – Nov. 98 **The World Bank**
Economist in the Macroeconomics and Growth Division, Policy Research Department.

1993 – 1994

National Bureau of Economic Research

Research Assistant to Professor Robert Barro.

Summ. 1992 and 93

International Monetary Fund

Consultant in the Developing Country Studies Division, Research Department.

Managerial Experience

- Directing the World Development Report 2014 on *Managing Risk for Development*. Selected the core team and led its members in all major decisions, including those on focus, structure, and messages of the WDR 2014. Led the process of consultations both within and outside the Bank, interacting with colleagues in DEC, regional and network chief economists, and Executive Board members, as well as prominent experts in the academic community, international organizations, civil society, and government officials. Managed the WDR budget, keeping total expenditures within the budget envelope, and conducted a difficult fundraising process through extensive networking and formal applications, obtaining complementary funds from trust funds and development cooperation agencies. Working with the WDR team, conducted the process of drafting, discussing, and revising the Report, complying with all necessary deadlines and quality controls. Currently preparing to launch the WDR in the 2013 Annual meetings and to disseminate the Report worldwide.
- Managed and completed a large variety of research projects, whose outputs are presented below under *Publications*. In this context, led teams of researchers—senior staff, peers and subordinates—of various degrees of specialization. Teams ranged depending on the products; in the case of individual papers, teams are small and focused; in the case of reports and books, teams are large and heterogenous. As result of this collaborative process, wrote around 40 papers published in books and professional journals and edited 8 books. As example, a recent book --on Terrorism and Development-- was published by Cambridge University Press with contributions from 8 teams from top universities and think tanks. The latest book --on Business Regulation and Economic Performance—has been published by The World Bank and gathers the most up-to-date knowledge and best practice on this crucial aspect of private sector development.
- Led several recruitment efforts of young economists for the macroeconomics research group. They were quite successful, as they brought to the Bank some of its current “stars” such as Roberta Gatti, Mary Hallward-Driemeier, and Sergio Schmukler.

- Organized and chaired the *Macroeconomics and Growth Seminar Series* at the World Bank, 2001-09. This has featured presentation by some of the most renowned economists in the world, including Daron Acemoglu, Philippe Aghion, Robert Barro, Paul Collier, V.V. Chari, William Easterly, Eduardo Engel, Oded Galor, Peter Klenow, Ross Levine, Martin Ravallion, and Mark Wright, among many others.

Advisory Experience

Regularly work with World Bank clients both to develop Bank products and to improve knowledge and capacity at the local level. Some of these clients are government ministries, financial and private sector institutions, central banks, NGOs, and the academic community. The following are a few selected examples of advisory experience in various countries and themes. All of them have involved field missions, close interaction with experts inside and outside the World Bank, and written reports:

- Volume and composition of private saving in India.
- Reduction of crime and violence in Colombia.
- Effectiveness and costs of public infrastructure in Egypt.
- The causes and policies of the informal sector in Latin America.
- Pro-poor growth in Indonesia.
- Nationalization and Privatization of natural resources in Bolivia.
- Trade liberalization and growth promotion in Pakistan.
- Financial depth and diversification in Chile.
- Business regulation and economic performance in Latin America.
- Trade reform and complementary policies in Peru.
- Informal and labor markets in the Middle East and Northern Africa.

Research Publications

Economic Growth, Economic Reforms, and Social Development:

“More than You Can Handle: Decentralization and Spending Ability of Peruvian Municipalities.” 2014. Forthcoming in *Economics and Politics*. Written with Jamele Rigolini and Óscar Calvo-González.

“The Whole is Greater than the Sum of Its Parts: Complementary Reforms to Address Microeconomic Distortions.” December 2013. Submitted to *World Bank Economic Review*. Written with Raphael Bergoing and Facundo Piguillem.

“Optimal Resource Administration under Oil Windfalls: The Case of Brazil.” December 2013. Submitted to *Journal of Development Economics*. Written with Constantino Hevia.

“Do middle classes bring about institutional reforms?” *Economics Letters*. 2012. Written with Jamele Rigolini and Gonzalo Llorente.

“Natural Disasters and Growth - Going Beyond the Averages,” *World Development*. 2012. Written with Eduardo Olaberria, Jamele Rigolini, and Luc Christiaensen.

“Saving and Growth in Egypt”. *Middle Eastern Development Journal*. 2012. Written with Constantino Hevia.

“The Growth Aftermath of Natural Disasters,” *Journal of Applied Econometrics*. 2011. Written with Thomas Fomby, and Yuki Ikeda.

“Is Irrigation Rehabilitation Good for Poor Farmers? An Impact Evaluation of a Non-Experimental Irrigation Project in Peru” *Journal of Agricultural Economics*. 2011. Written with Gayatri Datar and Ximena Del Carpio.

“The Impact of Wealth on the Amount and Quality of Child Labor,” World Bank Policy Research Working Paper No. 5959. January 2012. Revise and resubmit at *Economic Development and Cultural Change*. Written with Ximena Del Carpio and Tomoko Wada.

“The Composition of Growth Matters for Poverty Alleviation,” *Journal of Development Economics*. 2010. Written with Claudio Raddatz.

“Privatization and Nationalization Cycles,” World Bank Policy Research Working Paper No. 5029. August 2009. Revised and resubmitted to *Review of Economic Dynamics*. Written with Roberto Chang and Constantino Hevia.

“Openness Can Be Good for Growth: The Role of Policy Complementarities,” *Journal of Development Economics*. 2009. Written with Roberto Chang and Linda Kaltani.

“Initial Conditions and the Outcome of Economic Reform,” *Economic Letters*. 2009. Written with Linda Kaltani.

“Infrastructure and Economic Growth in Egypt,” World Bank Policy Research Working Paper No. 5177. January 2010. Written with Rei Odawara.

“El crecimiento económico en el Perú,” *Economía*, Universidad Católica del Perú, Lima. 2008.

“¿Cómo lograr que el Perú se beneficie de la apertura comercial?” *Apuntes*, Universidad del Pacífico, Lima. 2008.

“External Conditions and Growth Performance,” in *External Financial Vulnerability and Preventive Policies*, edited by Ricardo Caballero, César Calderón, and Luis Felipe Céspedes. Series on Central Banking, Analysis, and Economic Policies. 2006. Written with César Calderón and Klaus Schmidt-Hebbel.

Economic Growth in Latin America and the Caribbean. The World Bank. 2005. Written with Pablo Fajnzylber and César Calderón.

“On the Measurement of Market-Oriented Reforms,” in *Understanding Reform* edited by José María Fanelli and Gary McMahon. Palgrave Press. 2005. Written with Raimundo Soto.

“The Politics of Legal Reform –A Comment,” *Economía* 2(2): 141-147. 2002.

Economic Growth: Sources, Trends, and Cycles, edited volume with Raimundo Soto, Series on Central Banking, Analysis, and Economic Policies, Santiago. 2002.

“The Sources of Economic Growth: An Overview,” in *Economic Growth: Sources, Trends, and Cycles*, edited by Norman Loayza and Raimundo Soto, Series on Central Banking, Analysis, and Economic Policies. 2002. Written with Raimundo Soto.

“The Golden Period for Growth in Chile: Explanations and Forecasts,” in *Economic Growth: Sources, Trends, and Cycles*, edited by Norman Loayza and Raimundo Soto, Series on Central Banking, Analysis, and Economic Policies. 2002. Written with Francisco Gallego.

“Has Latin America’s Post-Reform Growth Been Disappointing?” *Journal of International Economics*. December. 1997. Written with William Easterly and Peter Montiel.

“Economic Reform and Progress in Latin America and the Caribbean,” second chapter of *The Long March: A Reform Agenda for Latin America and the Caribbean in the Next Decade* edited by Shahid J. Burki and Guillermo Perry. The World Bank. July. 1997. Written with Luisa Palacios.

“The Peace Dividend: Military Spending Cuts and Economic Growth,” *IMF Staff Papers*. March. 1996. Written with M. Knight and D. Villanueva.

“Paradise Lost? Growth, Convergence, and Migration in the South Pacific,” *IMF Staff Papers*. September. 1995. Written with Paul Cashin,

“Testing the Neoclassical Theory of Economic Growth: A Panel Data Approach,” *IMF Staff Papers*. September. 1993. Written with M. Knight and D. Villanueva.

Finance, Saving, and Volatility:

“Volatility and Crisis: Three Lessons for Developing Countries” (in Spanish) *Pasado y Presente: De la Gran Depresión del Siglo XX a la Gran Recesión del Siglo XXI*. 2012. Edited by Pablo Martín Aceña and Francisco Pérez, IVIE, Valencia, España.

“Medium-Term Business Cycles in Developing Countries,” World Bank Policy Research Working Paper No. 5146. December 2009. Written with Diego Comin, Farooq Pasha, and Luis Servén.

“Macroeconomic Volatility and Welfare in Developing Countries: An Introduction,” *The World Bank Economic Review*. October 2007. Written with Romain Rancière, Luis Servén, and Jaume Ventura.

“The Structural Determinants of External Vulnerability,” *The World Bank Economic Review*. October 2007. Written with Claudio Raddatz.

“Financial Development, Financial Fragility, and Growth,” *Journal of Money, Credit, and Banking*. 38(4): 1051-1076. June 2006. Written with Romain Rancière.

“Capital Flows to Developing Countries: The Old and the New,” mimeo, The World Bank. December 2006. Written with Luis Servén.

“World Market Integration Through the Lens of Foreign Direct Investors,” *Journal of International Economics*. 66: 267-295. 2005. Written with Rui Albuquerque and Luis Servén.

“Country Portfolios,” *Journal of the European Economic Association*. 3(4): 1-32. 2005. Written with Aart Kraay, Luis Servén, and Jaume Ventura.

“Does Openness Imply Exposure?” World Bank Policy Research Working Paper No. 3733. October 2005. Written with César Calderón and Klaus Schmidt-Hebbel.

“Volatility and Growth,” in *Managing Volatility*, edited by Joshua Aizenmann and Brian Pinto. Cambridge University Press. 2005. Written with Viktoria Hnatkovska.

“Slow Recoveries,” *Journal of Development Economics* 75:403-506. 2004. Written with Raphael Bergoing and Andrea Repetto.

“Greenfield Foreign Direct Investment and Mergers and Acquisitions: Feedback and Macroeconomic Effects,” World Bank Policy Research Working Series No. 3192. 2004. Written with César Calderón and Luis Servén.

“NAFTA and Convergence in North America: High Expectations, Big Events, Little Time –A Comment,” *Economía* 4(1): 41-47. 2003.

“Do Capital Flows Respond to Risk and Return?” World Bank Policy Research Working Series No. 3059. 2003. Written with César Calderón and Luis Servén.

“Determinants of Current Account Deficits in Developing Countries,” *Contributions to Macroeconomics* 2(1), B.E. Press. 2002. Written with César Calderón and Alberto Chong.

“Comovement and Macroeconomic Interdependence: Evidence from Latin America, East Asia, and Europe,” *IMF Staff Papers* 48(2). 2002. Written with Humberto López and Ángel Ubide.

“Financial Structure in Chile: Macroeconomic Developments and Microeconomic Effects,” in *Financial Structure and Economic Growth*, edited by Asli Demirguc-Kunt and Ross Levine. MIT Press. 2001. Written with Francisco Gallego.

“Un Estudio del Ahorro Agregado por Agentes Económicos en Chile,” in *Análisis Empírico del Ahorro en Chile*, edited by Felipe Morandé and Rodrigo Vergara, Series on Central Banking, Analysis, and Economic Policies. 2001. Written with Herman Bennett.

“Financial Intermediation and Growth: Causality and Causes,” *The Journal of Monetary Economics*. August 2000. Written with Ross Levine and Thorsten Beck.

“Finance and the Sources of Growth,” *Journal of Financial Economics*. September 2000. Written with Ross Levine and Thorsten Beck.

“Saving Around the World: An Overview,” *The World Bank Economic Review*. September 2000. Written with Klaus Schmidt-Hebbel and Luis Servén.

“Private Saving in India,” *The World Bank Economic Review*. September 2000. Written with Rashmi Shankar.

“What Drives Saving Across the World?” *The Review of Economics and Statistics*. May. 2000. Written with Klaus Schmidt-Hebbel and Luis Servén.

“The World Saving Database,” mimeo, The World Bank. 1998. Written with Humberto López, Klaus Schmidt-Hebbel, and Luis Servén.

Private Sector Development:

“Informal Employment: Safety Net or Growth Engine?” *World Development*. 2011. Written with Jamele Rigolini.

Business Regulation and Economic Performance. The World Bank. 2010. Edited volume with Luis Servén.

“Informality in Latin America and the Caribbean,” in *Business Regulation and Economic Performance*, edited by N. Loayza and L. Servén. The World Bank. 2010. With Luis Servén and Naotaka Sugawara.

“Regulation and Macroeconomic Performance,” in *Business Regulation and Economic Performance*, edited by N. Loayza and L. Servén. 2010. Written with Ana María Oviedo and Luis Servén.

“Regulation and Microeconomic Dynamics,” in *Business Regulation and Economic Performance*, edited by N. Loayza and L. Servén. 2010. Written with Ana María Oviedo and Luis Servén.

“The Informal Sector in Mexico: Basic Facts and Explanations,” *El Trimestre Económico*, Mexico. 2009. Written with Naotaka Sugawara.

“Informality, Employment and Economic Development in the Arab World,” *Journal Of Development And Economic Policies*, Arab Planning Institute. 2008. With Ibrahim Elbadawi.

“Causas y consecuencias de la informalidad en el Perú,” *Revista de Estudios Económicos*, Central Bank of Peru. 2008.

“The Impact of Regulation on Growth and the Informal Sector: Cross-Country Evidence,” in *Linking the Formal and Informal Economy: Concepts and Policies*, edited by Basudeb Guha-Khasnobis, Ravi Kanbur and Elinor Ostrom. Oxford University Press. 2006. Written with Ana María Oviedo and Luis Servén.

“The Economics of the Informal Sector: A Simple Model and Some Empirical Evidence from Latin America,” *Carnegie-Rochester Conference on Public Policy*, Vol. 45. 1996.

The Informal Sector and Economic Growth, Ph.D. Thesis, Harvard University. June. 1994.

Monetary and Exchange-Rate Policy:

“Inflation Targeting: An Overview,” in *Inflation Targeting: Design, Performance, Challenges*, edited by Norman Loayza and Raimundo Soto, Series on Central Banking, Analysis, and Economic Policies. 2002. Written with Raimundo Soto.

Inflation Targeting: Design, Performance, Challenges, edited volume with Raimundo Soto, Series on Central Banking, Analysis, and Economic Policies, Santiago. 2002.

“Monetary Policy Functions and Transmission Mechanisms: An Overview,” in *Monetary Policy: Rules and Transmission Mechanisms*, edited by Norman Loayza and Klaus Schmidt-Hebbel, Series on Central Banking, Analysis, and Economic Policies. 2002. Written with Klaus Schmidt-Hebbel.

“Policy Biases When the Monetary and Fiscal Authorities Have Different Objectives,” in *Monetary Policy: Rules and Transmission Mechanisms*, edited by Norman Loayza and Klaus Schmidt-Hebbel, Series on Central Banking, Analysis, and Economic Policies. 2002. Written with Herman Bennett.

Monetary Policy: Rules and Transmission Mechanisms, edited volume with Klaus Schmidt-Hebbel, Series on Central Banking, Analysis, and Economic Policies, Santiago. 2002.

“Misalignment and Fundamentals: Equilibrium Exchange Rates in Seven Latin American Countries,” mimeo, The World Bank. 2000. Written with Fernando Broner and Humberto Lopez.

“Desalineamiento y Variables Fundamentales: Tipo de Cambio Real de Equilibrio en Siete Países de América Latina,” *Coyuntura Económica*, Fedesarrollo, Colombia. Diciembre. 1997. Written with Fernando Broner and Humberto Lopez,

A Study of the Permanent and Transitory Components of GNP Fluctuations, M.Sc. Thesis, Brigham Young University. August. 1990.

Crime, Civil Conflict, and Corruption:

“Would Liberalization Lead to Epidemic Cocaine Consumption?” *Applied Economic Letters*. 2012. Written with Naotaka Sugawara.

Innocent Bystanders: Developing Countries and the War On Drugs. McMillan - Palgrave. 2010. Edited volume with Phil Keefer.

“Drug Prohibition and Developing Countries: Uncertain Benefits, Certain Costs,” in *Innocent Bystanders: Developing Countries and the War On Drugs*. Written with Phil Keefer and Rodrigo Soares.

Terrorism, Economic Development, and Political Openness, edited volume with Phil Keefer. Forthcoming. Cambridge University Press. 2008.

“Preventing Violence: Long-Run Crime Prevention Policies,” *Harvard Review of Latin America*, Winter 2007-08.

“The Aftermath of Civil War,” *World Bank Economic Review*, 2008. Written with Siyan Chen and Marta Reynal-Querol.

“On the Political Nature of Corruption.” *The Role of Parliament in Curbing Corruption*. Edited by R. Stapenhurst, N. Johnston, and R. Pelizzo. 2006. Written with Daniel Lederman and Rodrigo Soares.

“Accountability and Corruption: Political Institutions Matter,” *Economics and Politics* 17(1): 1-35. 2005. Written with Daniel Lederman and Rodrigo R. Soares.

“The Open Society Assess Its Enemies. Shocks, Disasters, and Terrorist Attacks: A Comment,” *The Journal of Monetary Economics* 51: 1071-1075. 2004.

“Inequality and Crime,” *The Journal of Law and Economics* 45(1). April. 2002. Written with Pablo Fajnzylber and Daniel Lederman.

“What Causes Violent Crime?” *The European Economic Review* 46(7). July. 2002. Written with Pablo Fajnzylber and Daniel Lederman.

“Crime in Latin America,” *Encyclopedia of Crime and Punishment*, ed. by David Levinson. 2002. Thousand Oaks, CA: SAGE. Written with D. Lederman and P. Fajnzylber.

“Violent Crime: Does Social Capital Matter?” *Economic Development and Cultural Change* 50(3). April. 2002. Written with Daniel Lederman and Ana María Menéndez.

Crimen y Violencia en América Latina, edited volume by Pablo Fajnzylber, Daniel Lederman, and Norman Loayza. Bogota: Alfaomega Press and The World Bank. 2001.

“Crime and Victimization: An Economics Perspective,” *Economia* (Brookings journal of the Latin American Economic Association) 1(1). 2000. Written with Pablo Fajnzylber and Daniel Lederman.

Organization of International Conferences

- Dec. 2012 *International Policy Workshop in Preparation of the WDR 2014 on Managing Risk for Development*. Sponsored by the World Bank and the German Federal Ministry for Economic Cooperation and Development (BMZ) and GIZ. Berlin, Germany.
- Mar. 2006 *The Growth and Welfare Effects of Macroeconomic Volatility*. Sponsored by the World Bank and Pompeu Fabra U. Barcelona, Spain.
- Jan. 2003 *Economic Recovery and Sustained Growth*. Sponsored by the World Bank and Fedesarrollo. Cartagena, Colombia.
- Oct. 2002 *The FDI Race: Who Gets the Prize? Is It Worth the Effort?* Sponsored by the World Bank and the Inter-American Bank. Washington, D.C.
- Nov. 2001 *The Challenges of Economic Growth*. Sponsored by the Central Bank of Chile. Santiago, Chile.
- Nov. 2000 *10 Years of Inflation Targeting: Performance and Challenges*. Sponsored by the Central Bank of Chile. Santiago, Chile.

- May 2000 *Crime and Violence: Causes and Prevention Policies.* Sponsored by the World Bank and Universidad de los Andes. Bogota, Colombia.
- Sept. 1999 *Monetary Policy: Rules and Transmission Mechanisms.* Sponsored by the Central Bank of Chile. Santiago, Chile.
- June 1999 *International Integration and Vulnerability.* Sponsored by the World Bank and Universidad Torcuato di Tella. Buenos Aires, Argentina.
- Oct. 1998 *Saving Around the World: Facts and Policies.* Sponsored by the World Bank. Washington, D.C.

Teaching Experience

- 1999 *Invited Professor* in the graduate program of Economics at Universidad Católica de Chile.
- 1997 *Instructor* for the World Bank Institute on Macroeconomic Management courses.
- 1992-1993 *Teaching Assistant* for the first-year Ph.D. macroeconomics course sequence at Harvard University under Profs. Robert Barro, Greg Mankiw, John Leahy, and Ben Friedman.

Honors and Fellowships

- 1993-1994 Alfred P. Sloan Doctoral Dissertation Fellowship.
- 1990-1992 Harvard Economics Department Student Fellowship.
- 1990-1991 Earhart Foundation Fellowship for first-year doctoral studies.
- Aug. 1988 Valedictorian of the College of Social Sciences, Brigham Young University.