

Luis Servén

The World Bank
1818 H St. NW
Washington DC 20433

Phone: (202) 473 7451
Fax: (202) 614 0417
e-mail: lserven@worldbank.org

Academic Degrees

- 1986 Ph. D. in Economics, Massachusetts Institute of Technology
1978 Licenciatura en Ciencias Económicas, Universidad Complutense, Madrid

Professional Experience

- 2005 – Present The World Bank: Research Manager and Senior Adviser, Development Research Group.
1998 - 2004 The World Bank: Manager, Regional Studies Program, Latin America and the Caribbean; and head of the regional Chief Economist's office in Washington.
1988 - 1997 The World Bank: Principal Economist, Macroeconomics and Growth Division, Policy and Research Department (previously Economist and Senior Economist).
1986 - 1988 Senior Research Economist, Fundación de Estudios de Economía Aplicada (FEDEA). Madrid, Spain.

Academic Experience

- 2004 - Present Centro de Estudios Monetarios y Financieros (CEMFI), Madrid, Spain. Visiting Professor, Summer School in Economics and Finance.
1987 - 1988 Centro de Estudios Monetarios y Financieros (CEMFI), Madrid, Spain. Associate professor.
1987 Pontificia Universidade Catolica, Rio de Janeiro. Dept. of Economics. Visiting Professor.
1985 - 1986 Massachusetts Institute of Technology, Sloan School of Management. Instructor, Intermediate Microeconomics
1979 - 1981 Universidad Complutense de Madrid. Assistant Professor.

Publications

Recent working papers

"Productivity and the Welfare of Nations" (with Susanto Basu, Luigi Pascali, and Fabio Schiantarelli). Revision of NBER Working Paper 17971 (2014).

"Testing weak exogeneity in cointegrated panels" (with Enrique Moral-Benito), Bank of Spain Working Paper 1307 (2013).

"Partial Consumption Insurance and Financial Openness across the World" (with Constantino Hevia), Policy Research Working Paper 6479 (2013).

Refereed publications

"Medium-term cycles in developing countries" (with D. Comín, N. Loayza and F. Pasha), *American Economic Journal: Macroeconomics* (forthcoming).

"Is infrastructure capital productive? A dynamic heterogeneous approach" (with C. Calderon and E. Moral-Benito), *Journal of Applied Econometrics* (forthcoming).

"Global imbalances: origins and prospects" (with H. Nguyen), *World Bank Research Observer* 28 (2), 191-219 (2013).

"Fiscal Redistribution and Income Inequality in Latin America" (with E. Goni and H. López), *World Development* 39, 1558-1569 (2011).

"Global imbalances: a roadmap" (with H. Nguyen), *Moneda y Credito* 232: 11-39. (2011)

"Are all the sacred cows dead? Implications of the financial crisis for macro and financial policies" (with A. Demirguc-Kunt), *World Bank Research Observer* 25, 91-124. (2010)

"Infrastructure and economic development in Sub-Saharan Africa" (with César Calderón), *Journal of African Economies* 19, i13-i87. (2010)

"Walking up the down escalator: public investment and fiscal stability" (with William Easterly and Timothy Irwin), *World Bank Research Observer* 23, p. 37-56 (2008).

"Macroeconomic volatility and welfare in developing countries" (with Norman Loayza, Romain Ranciere and Jaume Ventura), *World Bank Economic Review* 21, p. 343-357 (2007).

"Macroeconomic stability in developing countries: how much is enough?" (with P. Montiel), *World Bank Research Observer* 21, 151-178 (2006).

"Country Portfolios" (with A. Kraay, N. Loayza and J. Ventura), *Journal of the European Economic Association* 3, 914-945 (2005).

“Tracking NAFTA’s shadow ten years on” (with D. Lederman), *World Bank Economic Review* 19, 335-344 (2005).

“World market integration through the lens of foreign direct investors” (with R. Albuquerque and N. Loayza), *Journal of International Economics* 66, 267-295 (2005).

“Global transmission of interest rates: monetary independence and currency regime” (with J. Frankel and S. Schmukler), *Journal of International Money and Finance* 23, 701-733 (2004).

“Great Expectations and Hard Times: the Argentine Convertibility Plan: Comment”, *Economia* 3, 148-154 (2003).

“Real Exchange Rate Uncertainty and Private Investment in LDCs”, *Review of Economics and Statistics* 85, 212-218 (2003).

“Pricing currency risk under currency boards” (with Sergio Schmukler), *Journal of Development Economics* 69, 367-391 (2002).

“La anatomía de una crisis múltiple: qué tenía Argentina de especial y qué podemos aprender de ella” (with Guillermo Perry), *Desarrollo Económico* 42 (2002).

“Measuring aid flows: a new approach” (with Charles Chang and Eduardo Fernández-Arias), *Global Economy Quarterly* 3(2) (2002).

“Verifying Exchange Rate Regimes” (with J. Frankel, E. Fajnzylber and Sergio Schmukler), *Journal of Development Economics* 66, 351-385 (2001).

“Verifiability and the Vanishing Intermediate Exchange Rate Regime” (with J. Frankel and Sergio Schmukler), *Brookings Trade Forum* 59-108 (2000).

“Saving in Developing Countries: an Overview” (with N. Loayza and K. Schmidt-Hebbel), *World Bank Economic Review* 14, 393-414. (2000).

“What Drives Private Saving Across the World ?” (with N. Loayza and K. Schmidt-Hebbel), *Review of Economics and Statistics* 82, 165-181. (2000)

“How Effective is Fiscal Policy in Raising National Saving ?” (with H. López and K. Schmidt-Hebbel), *Review of Economics and Statistics* 82, 225-245 (2000).

“Does Income Inequality Raise Aggregate Saving ?” (with K. Schmidt-Hebbel), *Journal of Development Economics* 61, 417-446. (2000)

“Terms-of-Trade Shocks and Optimal Investment: Another Look at the Laursen-Metzler Effect”, *Journal of International Money and Finance* 18, 337-365 (1999).

“Saving in Mexico: the National and International Evidence” (with C. Burnside and K. Schmidt-Hebbel), *Economia Mexicana* 8, 181-230 (1999).

“World Saving: Trends and Theories” (with K. Schmidt-Hebbel), *Estudios de Economía* 25, 191-215 (1998).

“Instability, Uncertainty and Irreversible Investment: Theory, Evidence and Lessons for Africa”, *Journal of African Economies* 6, 229-268 (1998)..

“Saving and Investment: Paradigms, Puzzles, Policies” (with K. Schmidt-Hebbel and A. Solimano), *The World Bank Research Observer* 11, no. 1 (1996).

“Capital Goods Imports, the Real Exchange Rate and the Current Account”, *Journal of International Economics* 39, 79-101 (1995).

“Debt Crisis, Adjustment Policies and Capital Formation in Developing Countries: Where do We Stand?”, *World Development* 21, No. 1 (1993).

“Private Investment and Macroeconomic Adjustment: A Survey”, *The World Bank Research Observer* 7, no.1 (1992).

“Robust Estimation: an Application to Industrial Employment”, *Revista Española de Economía* (1989).

“Deficits, Inflation and Interest Rates”, *Hacienda Pública Española* (1987).

Books

Business regulation and macroeconomic performance (with Norman Loayza). Washington DC: The World Bank (2010).

Fiscal policy, stabilization and growth: Prudence or Abstinence? (with Guillermo Perry and Rodrigo Suescún). Washington DC: The World Bank (2007).

Virtuous circles of poverty and growth. Washington DC: The World Bank (2006).

Lessons from NAFTA (with Daniel Lederman and William Maloney), Stanford University Press (2005).

The limits of stabilization: Infrastructure, public deficits and growth in Latin America (with William Easterly and César Calderón), Stanford University Press (2003).

Securing our future in a global economy. Washington DC: The World Bank (2000).

The Economics of Saving and Growth: Theory, Evidence and Implications for Policy (with Klaus Schmidt-Hebbel), New York: Cambridge University Press (1999).

Striving for Growth After Adjustment: the Role of Capital Formation (with Andrés Solimano). Washington DC: The World Bank (1993).

El paro en España: Características, Causas y Medidas [Unemployment in Spain: Features, Causes, and Policy Measures]. Madrid: FEDEA (1989).

La empresa publica industrial en España [Public Enterprise in Spanish Industry]. Madrid: FEDEA (1987).

Co-author of *Excedente, Inversion y Empleo en la Empresa Española [Profitability, Investment and Employment in Spanish Firms]*. Madrid: FEDEA (1987).

Análisis de simulación en la Industria Española [Simulation Analyses of Spanish Industry]. Madrid: FEDEA (1986).

Book chapters

"Macro-prudential policies over the cycle in Latin America" (with C. Calderón), in S. Schmukler and T. Didier (eds.), *Emerging Issues in Financial Development: Lessons from Latin America*. The World Bank (2014).

"The Global Crisis: Old and New Lessons for Macroeconomic Policy", in A. Al Sadiq and I. Elbadawi (eds.), *The Global Economic Crisis and Consequences for Development Strategy*, Palgrave Macmillan (2012).

"Global Imbalances after the crisis", *Ekonomi Gerizan* 19 [in Spanish] (2012).

"Social spending and macroeconomic stability: the view from developing countries" (in Spanish), in *The welfare state at the crossroads*, *Ekonomi Gerizan* 18 [in Spanish]. (2011).

"Growth after the global recession in developing countries: comment", in M. Nabli (ed.), *The great recession and developing countries*, The World Bank (2011).

"Infrastructure in Latin America" (with C. Calderón), in J.A. Ocampo (ed.), *Handbook of Latin American Economies*, Oxford University Press (2011).

"Macro-prudential Policies in the Wake of the Global Crisis", in O. Canuto and M. Giugale (eds.), *The Day after Tomorrow: a Handbook on the Future of Economic Policy in the Developing World's Horizon*. The World Bank. (2010).

"Fiscal reform and social equity in Latin America" (with E. Goñi and H. López), in J. Machinea (ed.), *Towards a new social contract: economic policies for comprehensive development in Latin America*. Santiago, Chile: ECLAC (2008).

"Fiscal discipline, public investment and growth", in G. Perry and L. Servén (eds.), *Fiscal policy, stabilization and growth: Prudence or Abstinence?* Washington DC: The World Bank (2007).

"Fiscal policy in the short and the long run" (with T. Irwin, G. Perry and R. Suescún), in G. Perry and L. Servén (eds.), *Fiscal policy, stabilization and growth: Prudence or Abstinence?* Washington DC: The World Bank (2007).

“The impact of regulation on growth and the informal sector: cross-country evidence” (with N. Loayza and A. Oviedo), in B Guha-Khasnobis (ed.), *Unlocking human potential: linking the formal and informal sectors*, Oxford University Press (2006).

“Poverty reduction and growth in Latin America: Virtuous and Vicious Circles” (with G. Perry, H. López, W. Maloney and O. Arias), in A. López-Claros and K. Schwab (eds.), *Latin American Competitiveness Review*. Davos: World Economic Forum (2006).

“Brazilian economic growth, 1900–2000: lessons and policy implications” (with A. Castelar, I. Gill and M. Thomas), in E. Fernandez-Arias, R. Manuelli and J. Blyde (eds.), *Sources of Growth in Latin America: what is missing?*, IADB (2006).

“Crecimiento económico y reducción de la pobreza”, in P. Martínez de Alegría (ed.), *Ekonomi Gerizan 13*, Federación de Cajas de Ahorro Vasco-Navarras [*in Spanish*] (2006).

“Argentina’s macroeconomic collapse: causes and lessons” (with G. Perry), in J. Aizenmann and B. Pinto (eds.), *Managing Economic Volatility and Crises: A Practitioner's Guide*, Cambridge University Press (2005).

“Macroeconomic stability: the more, the better?” (with P. Montiel), in *Economic Growth in the 1990s: lessons from a decade of reform*, Washington DC, The World Bank (2005).

“General equilibrium dynamics of foreign shocks and policy changes in Chile” (with K. Schmidt-Hebbel and F. Gallego), in R. Chumacero and K. Schmidt-Hebbel, *General equilibrium models for the Chilean economy*, Central Bank of Chile (2005).

“Disciplina fiscal, inversión pública y crecimiento”, in J. Pérez and C. Sebastián (eds.), *Políticas, Mercados e Instituciones Económicas: Estudios en homenaje a Luis Angel Rojo*, Madrid: Editorial Complutense (2004). [*in Spanish*].

“The anatomy of a multiple crisis: why was Argentina special and what can we learn from it” (with G. Perry), in V. Alexander, G. von Furstenberg and J. Melitz (eds.), *Currency Unions and Hard Pegs*, Oxford University Press (2004).

“Latin America’s infrastructure in the era of macroeconomic crises” (with César Calderón and William Easterly), in W. Easterly and L. Servén, eds., *The limits of stabilization: Infrastructure, public deficits and growth in Latin America*, Stanford University Press (2003).

“The growth cost of Latin America’s infrastructure gap” (with César Calderón), in W. Easterly and L. Servén, eds., *The limits of stabilization: Infrastructure, public deficits and growth in Latin America*, Stanford University Press (2003).

“Infrastructure compression and public sector solvency in Latin America (with César Calderón and William Easterly), in W. Easterly and L. Servén, eds., *The limits of stabilization: Infrastructure, public deficits and growth in Latin America*, Stanford University Press (2003).

“Introduction” (with William Easterly), in W. Easterly and L. Servén, eds., *The limits of stabilization: Infrastructure, public deficits and growth in Latin America*, Stanford University Press (2003).

“What do we know about the effects of financial liberalization on saving, investment and growth” (with K. Schmidt-Hebbel), in J. Guzmán (ed.), *Improving the allocation of domestic saving for economic development*. Mexico DF: Banco de México (2003).

“Saving, Investment and Growth in Developing Countries: an Overview” (with K. Schmidt-Hebbel and A. Solimano), in A. Dutt, ed., *The Political Economy of Development*, Edward Elgar (2002).

“Una revisión del comportamiento y los determinantes del ahorro en el mundo” (with N. Loayza and K. Schmidt-Hebbel), in F. Morandé and R. Vergara, eds., *Análisis empírico del ahorro en Chile*. Santiago: Central Bank of Chile (2001)

“Saving in the World: Stylized Facts” (with K. Schmidt-Hebbel), in K. Schmidt-Hebbel and L. Servén, eds., *The Economics of Saving and Growth: Theory, Evidence and Implications for Policy*, Cambridge University Press (1999).

“Aggregate Saving and Income Distribution” (with K. Schmidt-Hebbel), in K. Schmidt-Hebbel and L. Servén, eds., *The Economics of Saving and Growth: Theory, Evidence and Implications for Policy*, Cambridge University Press (1999).

“Income Inequality and Aggregate Saving: the Cross-Country Evidence” (with K. Schmidt-Hebbel), in A. Solimano, ed., *Inequality, Social Values and the State*, Michigan University Press (1998).

“Lloyd A. Metzler”, in T. Cate, ed., *Encyclopedia of Keynesian Economics*, Edward Elgar Publishers (1997).

“Saving, Investment and Growth in Developing Countries: an Overview” (with K. Schmidt-Hebbel and A. Solimano), in A. Solimano, ed., *Road-Maps to Prosperity: Essays on Growth and Development*, Michigan University Press (1996).

“Fiscal Adjustment and the Real Exchange Rate Under Rational Expectations in Chile” (with K. Schmidt-Hebbel), in F. Morandé and R. Vergara (eds.) *Empirical Analyses of the Exchange Rate in Chile*, Centro de Estudios Públicos (1996).

“Towards Lower Inflation in Chile: Monetary Contraction Under Rational Expectations” (with K. Schmidt-Hebbel), in F. Morandé and F. Resende, eds., *Análisis Empírico de la Inflación en Chile*, Universidad Católica de Chile. Santiago, Chile (1995). [*in Spanish*]

“Dynamic Response to External Shocks in Classical and Keynesian Economies (with K. Schmidt-Hebbel), in D. Currie and D. Vines, eds., *North-South Linkages and International Macroeconomic Policy*, Cambridge University Press (1995).

“Economic Reform in Southern Europe: the Spanish Experience”, in M. Blejer *et. al.* (eds.), *Rebuilding Capitalism: Alternative Roads after Socialism and Dirigisme*, Michigan University Press (1994).

“Private Investment and Macroeconomic Adjustment” (with A. Solimano), in L. Servén and A. Solimano (eds.), *Striving for Growth after Adjustment: the Role of Capital Formation*. The World Bank (1994).

“Economic adjustment and investment performance in developing countries: the experience of the 1990s” (with A. Solimano), in L. Servén and A. Solimano (eds.), *Striving for Growth after Adjustment: the Role of Capital Formation*. The World Bank (1994).

“Adjustment Lending and Economic Outcomes”, in *Adjustment Lending and Mobilization of Private and Public Resources for Growth*, World Bank Policy and Research Series no. 22 (1993).

“Economic Adjustment and Investment Performance in Developing Countries: The Experience of the 80s”, in V. Corbo *et. al.* (eds.), *Adjustment Lending Revisited: Policies to Restore Growth*. Washington DC: The World Bank (1992).

“The Evolution of Employment in Spain, 1966-85: a Disequilibrium Analysis”, in Garcia *et. al.*, *Estudios Sobre Poblacion Activa, Empleo y Paro en España*. Madrid: FEDEA (1990). [*in Spanish*]

“Replacing Social Security Contributions with VAT: an Assessment”, in Garcia *et. al.*, *Estudios Sobre Poblacion Activa, Empleo y Paro en España*. Madrid: FEDEA (1990). [*in Spanish*]

“Multivariate Errors in Variables in Panel Data: the Demand for Labor in Spanish Manufacturing”, in Garcia *et. al.*, *Estudios Sobre Poblacion Activa, Empleo y Paro en España*. Madrid: FEDEA (1990). [*in Spanish*]

Unpublished working papers

“Too poor to grow” (with H. López). Revision of Policy Research Working Paper 5012 (2013).

“A normal relationship? Poverty, growth and inequality” (with E. Goñi and H. López). Revision of Policy Research Working Paper 3814. (2011)

“Undervaluation through Foreign Reserve Accumulation: Static Losses, Dynamic Gains” (with Anton Korinek). Revision of Policy Research Working Paper 5250. (2012)

“Productivity, Welfare, Technology and Reallocation: Theory and Firm Level Evidence” (with Susanto Basu, Luigi Pascali and Fabio Schiantarelli), Policy Research Working Paper 5226 [issued also as NBER Working Paper 15579 and IZA Discussion Paper 4612] (2010).

“Fiscal rules, public investment, and growth”, Policy Research Working Paper 4382 (2007).

Other publications

“Research at the Bank of Spain: an Evaluation”, (with Ricardo Caballero, Jordi Galí, and Lucrezia Reichlein), at http://www.bde.es/investigador/report_eval.pdf (2012)

“Exchange rate undervaluation: Can neo-mercantilism work?” (with A. Korinek), *VoxEU Op-Ed* (2010).

“Global Imbalances: origins and prospects” (with H. Nguyen), *VoxEU Op-Ed* (2010).

“Fiscal redistribution and equity in Latin America (with Edwin Goñi and Humberto López), *Claves de la Economía Mundial* 7 (2009).

Review of Jacques Dréze *Advances in Macroeconomic Theory*, in *Journal of Economic Literature* 41(2), 590-92 (2003).

“La volatilidad macroeconómica en América Latina: causas y soluciones” (with G. Perry), *Información Comercial Española* 790, 75-92 (2001). [*in Spanish*]

“Un nuevo enfoque para la medición de los flujos de ayuda” (with Eduardo Fernández-Arias and Charles Chang), *Información Comercial Española* 778, 55-80 (1999). [*in Spanish*]

“Reforma económica y transición democrática en la Europa del Sur: el caso de España”, *Pensamiento Iberoamericano* 22-23 (1993). [*in Spanish*]

“Economic Adjustment and Private Investment”, *Finance and Development* 29, no.3 (1992).

“Public Enterprise in a 'Strategic' Industry”, *Papeles de Economía Española* (1988). [*in Spanish*]

“The Self-Generating Process of Public Deficits in Spain”, *Papeles de Economía Española* (1987). [*in Spanish*]

Professional service

Co-editor, *World Bank Economic Review*

Co-editor, *World Bank Research Observer*

Member of the Advisory Committee of the *Latin American Development Forum*.

Member of the Research Evaluation Panel of the Bank of Spain (2011-13).

Evaluation of Research Proposals for Economic and Social Research Council (ESRC), African Economic Research Consortium (AERC), Corporación Andina de Fomento (CAF), Fundación BBVA, Economic Research Forum (ERF).

Scientific committee: LACEA annual meetings (2004-2007), International Economic Association meetings (2002, 2005, 2007).

Referee for: *American Economic Review*, *Applied Economics*, *Economic Development and Cultural Change*, *Economic Journal*, *Economics Letters*, *European Economic Review*, *International Economic Review*, *International Finance*, *Investigaciones Económicas* (Spain), *International Tax Journal*, *Journal of African Economies*, *Journal of Banking and Finance*, *Journal of Development Economics*, *Journal of Economic Dynamics and Control*, *Journal of Economic Growth*, *Journal of International Economics*,

Journal of International Money and Finance, Journal of Macroeconomics, Journal of Money, Credit and Banking, Journal of Policy Reform, Journal of Public Economics, Moneda y Credito (Spain), Quarterly Journal of Economics, Review of International Economics, Review of Economics and Statistics, Review of Economic Studies, Revista de Analisis Economico (Chile), Scandinavian Journal of Economics, Studies in Nonlinear Dynamics and Econometrics, World Bank Economic Review, World Development.