## References

- Acemoglu, D., and F. Zilibotti, 1997, "Was Prometheus Unbound by Chance? Risk, Diversification, and Growth," *Journal of Political Economy*, Vol. 105, No. 4, pp. 709–75.
- Agell, J., P. Englund, and J. Sodersten, 1998, *Incentives* and Redistribution in the Welfare State: The Swedish Tax Reform (Basingstoke: Macmillan).
- Aghion, P., J. Boulanger, and E. Cohen, 2011, "Rethinking Industrial Policy," *Bruegel Policy Brief*, No. 2001/04 (Brussels: Bruegel).
- Aghion, P., L. Boustan, C. Hoxby, and J. Vandenbussche, 2005, "Exploiting States' Mistakes to Identify the Causal Effect of Higher Education on Growth" (unpublished; Cambridge: Harvard University).
- Aghion, P., M. Dewatripont, L. Du, A. Harrison, and P. Legros, 2011, "Industrial Policy and Competition" (unpublished; Cambridge: Harvard University).
- Aghion, P., M. Dewatripont, C. Hoxby, A. Mas-Colell, and A. Sapir, 2010, "The Governance and Performance of Research Universities: Evidence from Europe and the U.S.," *Economic Policy*, Vol. 25, pp. 7–59.
- Aghion, P., and S.N. Durlauf (eds.), 2005, *Handbook of Economic Growth*, Volume 1A (Amsterdam: North-Holland).
- Aghion, P., and P. Howitt, 2009, *The Economics of Growth* (Cambridge: MIT Press).
- Aiginger, K., and S. Sieber, 2005, "Towards a Renewed Industrial Policy in Europe," Prepared as Chapter 1 of the background report of the Competitiveness of European Manufacturing 2005 (Brussels: European Commission, Directorate General Enterprise).
- Alesina, Alberto, Rocardo Hausmann, Rudolf Hommes, and Ernesto Stein, 1999, "Budget Institutions and Fiscal Performances in Latin America," *Journal of Development Economics*, Vol. 59, pp. 253–73.
- Allard, Celine, Nada Choueiri, Susan Schadler, and Rachel van Elkan, 2008, "Macroeconomic Effects of EU Transfers to New Member States," IMF Working Paper 08/223 (Washington: International Monetary Fund).
- Allard, Celine, and Luc Everaert, 2010, "Lifting Euro Area Growth: Priorities for Structural Reforms and Governance," IMF Staff Position Note 10/19 (Washington: International Monetary Fund).
- Annett, A., 2007, "Lessons from Successful Labor Market Reformers in Europe," *IMF Policy Discussion*

- Paper PDP/07/1 (Washington: International Monetary Fund).
- Bakker, Bas B., and Anne-Marie Gulde, 2010, "The Credit Boom in the EU New Member States: Bad Luck or Bad Policies?" IMF Working Paper 10/130 (Washington: International Monetary Fund).
- Barro, R., and X. Sala-i-Martin, 2004, *Economic Growth*, Second Edition (Cambridge: MIT Press).
- Bassanini, A., L. Nunziata, and D. Venn, 2009, "Job Protection Legislation and Productivity Growth in OECD Countries," *Economic Policy*, Vol. 24, No. 58 (April), pp. 349–402.
- Bayoumi, Tamim, and Andrew Swiston, 2008, "Spillovers Across NAFTA," IMF Working Paper 08/3 (Washington: International Monetary Fund).
- Beetsma, Roel, Massimo Giuliodori, and Peter Wierts, 2009, "Planning to Cheat: EU Fiscal Policy in Real Time," *Economic Policy*, Vol. 24, No. 60 (October), pp. 753–804.
- Benhabib, J., and M. Spiegel, 1994, "The Role of Human Capital in Economic Development: Evidence from Aggregate Cross-Country Data," *Journal of Monetary Economics*, Vol. 34, pp. 143–73.
- Berger, H., and S. Danninger, 2005, "Labor and Product Market Deregulation: Partial, Sequential, or Simultaneous Reform?" *IMF Working Paper* 05/227 (Washington: International Monetary Fund).
- Blanchard, O., and F. Giavazzi, 2003, "Macroeconomic Effects of Regulation and Deregulation in Goods and Labor Markets," *Quarterly Journal of Economics*, Vol. 118, No. 3 (August), pp. 879–907.
- Bongini, P., and G. Impavido, forthcoming, *Il Ruolo dei Fondi Pensione in una Economia Globale* (Bologna: Il Mulino).
- Bouis, R., R. Duval, and F. Murtin, 2011, "The Policy and Institutional Drivers of Economic Growth Across OECD and Non-OECD Economies: New Evidence from Growth Regressions," OECD Economics Department Working Papers No. 843 (Paris: Organization for Economic Cooperation and Development).
- Calmfors, Lars, and John Driffill, 1988, "Bargaining Structure, Corporatism and Macroeconomic Performance," *Economic Policy*, Vol. 3, No. 6, pp. 13–61.
- Card, D., and R. Freeman, 2002, "What Have Two Decades of British Economic Reform Delivered?" NBER Working Paper No. 8801 (Cambridge, Massachusetts: National Bureau of Economic Research).

- Chen, R., G.M. Milesi-Ferretti, and T. Tressel, forthcoming, "Euro Area Debtor Countries: External Imbalances in the Euro Area," IMF Working Paper (Washington: International Monetary Fund).
- Claessens, Stijn, M. Ayhan Kose, and Marco E. Terrones, 2008, "What Happens During Recessions, Crunches and Busts?" IMF Working Paper No. 08/274 (Washington: International Monetary Fund).
- Council of the European Union, 2010, "National Fiscal Frameworks: Report on the Exchange of Best Practice," Document No. 14614/10, ECOFIN 596, UEM 280 (Brussels, October 7).
- Dabla-Norris, Era, Richard Allen, Luis-Felipe Zanna,
  Tej Prakash, Eteri Kvintradze, Victor Lledo,
  Irene Yackovlev, and Sophia Gollwitzer, 2010,
  "Budget Institutions and Fiscal Performance in
  Low-Income Countries," IMF Working Paper 10/80
  (Washington: International Monetary Fund).
- Daminai, M., and F. Pompei, 2008. "Mergers,
  Acquisitions and Technological Regimes: The
  European Experience over the Period 2002–2005,"
  Quaderni del Dipartimento di Economia, Finanza e
  Statistica 46/2008, Perugia University, Department
  of Economics, Finance and Statistics.
- De Haan, Jakob, Wim Moessen, and Bjorn Volkerink, 1999, "Budgetary Procedures—Aspects and Changes: New Evidence for Some European Countries," in James Poterba and Jürgen von Hagen (eds.), Fiscal Institutions and Fiscal Performance (Chicago: Chicago University Press).
- Debrun, Xavier, and Manmohan S. Kumar, 2007a, "The Discipline-Enhancing Role of Fiscal Institutions: Theory and Empirical Evidence," IMF Working Paper No. 07/171 (Washington: International Monetary Fund).
- ——, 2007b, "Fiscal Rules, Fiscal Councils and All That: Commitment Devices, Signaling Tools or Smokescreens?" in Banca d'Italia (ed.), Fiscal Policy: Current Issues and Challenges, Papers presented at the Banca d'Italia workshop held in Perugia, 29–31.
- Debrun, Xavier, David Hauner, and Mammohan Kumar, 2009, "Independent Fiscal Agencies," *Journal of Economic Surveys*, Vol. 23, No. 1, pp. 44–81.
- Djankov, S., C. McLiesh, and A. Shleifer, 2007, "Private Credit in 129 Countries," *Journal of Financial Economics*, Vol. 84, No. 2, pp. 299–329.
- Djankov, S., R. La Porta, F. Lopez de Silanes, and A. Shleifer, 2008, "The Law and Economics of Self Dealing," *Journal of Financial Economics*, Vol. 88, No. 3, pp. 430–65.

- European Commission (EC), 2007a, Merger and Acquisition, Note No.4 (April), Directorate general of Economic and Finance.
- ———, 2007b, *Public Finances in the EMU* (Brussels: European Commission).
- ———, 2009, "Sustainability Report 2009," *European Economy Series*, No. 9/2009 (Brussels: EC).
- \_\_\_\_\_\_, 2010, "Member States' Competitiveness
  Performance and Policies," Secretary Document
  No. 1272.
- European Council, 2009, "Council Conclusions on Flexicurity in Times of Crisis," Luxembourg (June).
- European Investment Bank, 2006, "An Industrial Policy for Europe? From Concepts to Action," *EIB Papers*, Vol. 11, No. 2/2006 (Luxembourg: EIB).
- Gaard, S., and M. Kieler, 2005, "Two Decades of Structural Reforms in Denmark," Finansministeriet Working Paper No. 16/2005.
- Gautier, P.A., and B. van der Klaauw, 2009, "Institutions and Labor Market Outcomes in the Netherlands," Institute for Labour Market Policy Evaluation (IFAU) Working Paper No. 28 (Uppsala, IFAU).
- Gersemann, O., 2004, European Myths, American Reality (Washington: CATO Institute).
- Gordon, R. J., 2007, "Why Was Europe Left at the Station When America's Productivity Locomotive Departed?" in M. Gregory, W. Salverda, and R. Schettkat (eds.): Services and Employment: Explaining the U.S.-European Gap (Princeton and Oxford: Princeton University Press).
- ———, 2011, "Controversies about Work, Leisure, and Welfare in Europe and the United States," in E.S. Phelps and H. Werner-Sinn (eds.), *Perspectives on the Performance of the Continental Economies* (Cambridge: MIT Press).
- Gupta, Sanjeev, Emanuele Baldacci, Benedict Clements, and Erwin R. Tiongson, 2005, "What Sustains Fiscal Consolidation in Emerging Market Countries?" *International Journal of Finance and Economics*, No. 10, pp. 307–21.
- Harjes, Thomas, 2011, "Financial Integration and Corporate Funding Costs in Europe after the Financial and Sovereign Debt Crisis" in *Euro Area Policies: Selected Issues*, Country Report No. 11/186 (Washington: International Monetary Fund).
- Hartmann, P., F. Heider, E. Papaioannou, and M. Lo Luca, 2007, "The Role of Financial Markets and Innovation in Productivity and Growth in Europe," ECB Occasional Paper No. 72 (Frankfurt: ECB).

- Impavido, G., A.R. Musalem, and T. Tressel, 2002a, "Contractual Savings and Firms' Financing Choices," in S. Devarajan and F. H. Rogers (eds.), *World Bank Economists' Forum, Volume II* (Washington: World Bank).
- ———, 2002b, "Contractual Savings Institutions and Banks' Stability and Efficiency," World Bank Policy Research Working Paper 2751 (Washington: World Bank).
- International Monetary Fund (IMF), 2003, "Cross-Country Overview of Growth Patterns 1970–2000," Chapter II, IMF Country Report No. 03/47 (Washington).
- ———, 2004, "Advancing Structural Reforms," *World Economic Outlook* (Washington, April).
- ———, 2006, "How Do Financial Systems Affect Economic Cycles?" Chapter 4 of *World Economic* Outlook (Washington, September).
- ———, 2009, "Fiscal Rules: Anchoring Expectations for Sustainable Public Finances," IMF Staff Paper (Washington, November).
- ———, 2010a, "Fiscal Exit: From Strategy to Implementation," *Fiscal Monitor* (Washington).
- ———, 2010b, *Fiscal Monitor* (International Monetary Fund, April).
- ———, 2010c, "Navigating the Fiscal Challenges Ahead," *Fiscal Monitor* (Washington).
- ——, 2010d, Regional Economic Outlook: Asia and Pacific (Washington, April).
- ———, 2011a, "Changing Patterns of Global Trade" (Washington, June).
- ———, 2011b, "Financial Integration, Growth and Imbalances" in *Regional Economic Outlook: Europe* (Washington, May).
- ———, 2011c, "Hungary: Staff Report for the 2010 Article IV Consultation and Proposal for Post-Program Monitoring" (Washington, February).
- ———, 2011d, "Italy: Staff Report for the 2011 Article IV Consultation" (Washington, July).
- ——, 2011e, Regional Economic Outlook: Europe (Washington, May).
- ———, 2011f, Structural Reforms and Growth: What Works? Chapter 1 of Selected Issues, "Italy: Staff Report for the 2011 Article IV Consultation" (Washington, July).
- ———, 2011g, "The Effect of Fiscal Policy on the Current Account" in *World Economic Outlook* (Washington, September).
- ———, 2011h, "The United States: Spillover Report— 2011 Article IV Consultation" (Washington, July).
- ———, 2011i, *World Economic Outlook* (Washington, September).

- ———, forthcoming, "Fiscal Rules: Anchoring Expectations for Sustainable Public Finances," IMF Occasional Paper (Washington).
- Jaumotte, Florence, 2011, "The Spanish Labor Market in a Cross-Country Perspective," IMF Working Paper WP/11/11 (Washington).
- Jaumotte, Florence, Fabian Bornhorst, Holger
  Floerkemeier, Anna Ivanova, Yuko Kinoshita,
  Hanan Morsy, Esther Perez, Thierry Tressel,
  Irina Tytell, Jérôme Vacher, Sebastian Weber, and
  Johannes Wiegand, forthcoming, "Imbalances in the
  Euro Area: Bad Luck, Bad Policies, or Flaws in the
  Design of the Euro Area?" IMF Staff Discussion
  Note (Washington: International Monetary Fund).
- Jaumotte, Florence and Hanan Morsy, forthcoming, "Determinants of Inflation in the Euro Area: The Role of Labor and Product Market Institutions," IMF Working Paper.
- Johansson, Å., C. Heady, J. Arnold, B. Brys, and L. Vartia, 2008, "Tax and Economic Growth," OECD Economics Department Working Paper No. 620 (Paris: Organization for Economic Cooperation and Development).
- Koopman, Robert, William Powers, Zhi Wang, and Shang-Jin Wei, 2010, "Give Credit Where Credit Is Due: Tracing Value Added in Global Production Chains," NBER Working Paper No. 16426 (Cambridge, Massachusetts: National Bureau of Economic Research).
- Krueger, A.B., and M. Lindahl, 2001, "Education for Growth: Why and for Whom?" *Journal of Economic Literature*, Vol. 39, pp. 1101–36.
- Laeven, Luc, and Thomas Laryea, 2009, "Principles of Household Debt Restructuring," Staff Position Note (International Monetary Fund).
- Laeven, Luc, and Fabian Valencia, 2008, "Systemic Banking Crises: A New Database," IMF Working Paper No. 08/224 (Washington: International Monetary Fund).
- Linneman, C., 2007, Germany's Mittlestand: An Endangered Species? Deutsche Bank Research (Frankfurt am Main, Deutsche Bank).
- Lucas, R.E. Jr., 1988, "On the Mechanics of Economic Development," *Journal of Monetary Economics*, Vol. 22, pp. 3–42.
- Maastricht Economic and Social Research and Training Centre on Innovation and Technology (UNU-MERIT), 2011, "Innovation Union Scoreboard 2010," (Maastricht: UNU-MERIT).
- Marzinotto, Benedicta, 2011, "A European Fund for Economic Revival in Crisis Countries," Bruegel Policy Contribution, Issue 2011/01 (Brussels, February).

- Medas, Paulo, and Daria Zakharova, 2009, "A Primer on Fiscal Analysis in Oil-Producing Countries," IMF Working Paper 09/56 (Washington: International Monetary Fund).
- Molagoda, N., and E. Perez, 2011, "Raising Potential Growth in Europe: Mind the Residual," *Euro Area Policies—Selected Issues, Chapter V* (Washington: International Monetary Fund).
- Mourre, Gilles, 2009, "What Explains the Differences in Income and Labour Utilisation and Drives Labour and Economic Growth in Europe? A GDP Accounting Perspective," European Economy Economic Papers 354. Brussels.
- Mulas-Granados, Carlos, Jorge Onrubia, and Javier Salinas-Jimenez, 2009, "Do Budget Institutions Matter? Fiscal Consolidation in the New EU Member States," *Eastern European Economics*, Vol. 47, No. 1, pp. 60–91.
- Nier, Erlend, and Thierry Tressel, 2011, "The European Systemic Risk Board: Effectiveness of Macroprudential Oversight in Europe" in *Euro Area Policies: Selected Issues*, Country Report No. 11/186 (Washington, IMF).
- Organization of Economic Cooperation and Development (OECD), 1998, OECD Economic Surveys: Sweden (Paris).
- ———, 2009, OECD Economic Surveys: Italy (Paris).
  ———, 2011, "Enhancing the Contribution of Universities to Economic Growth," in OECD, OECD Economic Surveys: Italy (Paris).
- Perotti, E., 2008, L'Università Truccata (Torino: Einaudi). Price, R., 2010, "The Political Economy of Fiscal Consolidation," OECD Economic Department Working Papers No. 776 (Paris:

- Organization for Economic Cooperation and Development).
- Ramey, G., and V.A. Ramey, 1995, "Cross-Country Evidence on the Link between Volatility and Growth," *American Economic Review*, Vol. 85, pp. 1138–151.
- Tsibouris, George C., Mark A. Horton, Mark J. Flanagan, and Wojciech S. Masliszewski, 2006, *Experience with Large Fiscal Adjustments*, IMF Occasional Paper 246 (Washington: International Monetary Fund).
- Valckx, Nico, 2011, "ECB Policy Measures and Euro Area Banks," in *Euro Area Policies, Selected Issues* (Washington: International Monetary Fund).
- Von Hagen, J., and I.J. Harden, 1994, "Budget Processes and Commitment to Fiscal Discipline," *European Economic Review*, Vol. 39, Nos. 3–4, pp. 771–79.
- Von Hagen, J., A.H. Hallet, and R. Strauch, 2001, "Budgetary Consolidation in EMU," Economics Paper No. 148 (Brussels: Commission of the European Communities).
- Von Hagen, Jürgen, 2005, "Fiscal Rules and Fiscal Performance in the EU and Japan," CEPR Discussion Paper No. 5330 (London: Center for Economic Policy Research).
- Wehner, Joachim, 2009, "Institutional Constraints on Profligate Politicians: The Conditional Effect of Partisan Fragmentation on Budget Deficits," in *Comparative Political Studies* (Thousand Oaks: SAGE Publications).
- Ylaoutinen, Sami, 2004, "Fiscal Frameworks in the Central and Eastern European Countries," Discussion Paper No. 72 (Helsinki: Ministry of Finance of Finland).