

Introduction and Overview

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Guest Editor

This special issue of the *Ekonomia* journal consists of revised versions of selected papers that were presented at the Warsaw International Economic Meeting 2016, guest edited by Andrzej Cieřlik. The 11th Meeting took place at the University of Warsaw on June 28–30 and was organized in partnership with the Centre for Economic Analysis (CenEA) and sponsored by Narodowy Bank Polski. The main purpose of the Meeting was to bring together young economists from various academic and commercial institutions both in Poland and abroad and to provide them with an international forum for discussion and the mutual exchange of research ideas that could result in the formation of international research networks.

The papers that have been collected in this special issue of the *Ekonomia* journal make distinctive contributions to contemporary debates in various fields of economics. These contributions cover great diversity of topics including economics of innovation, international economics, labor economics, regional economics, real estate economics, financial economics, as well as economics of education. The content of this special volume is as follows.

In the first paper in this special issue entitled “Innovation Intensity as a Driver of Firm’s Internationalization Intensity: Evidence for Poland” Tomasz Brodzicki investigates empirically the relationship between innovation and internationalization in the cross-sectional sample of Polish firms using a number of econometric methods. His estimation results show that there is a positive correlation between innovation and internationalization which is robust with respect to the employed methods. He also finds some support for causality running from innovation to internationalization.

In the second paper entitled “Regional Variation in the Public Sector Wage Premium in Poland” Gabriela Grotkowska attempts to assess the scale of regional variation in public-private wage differentials in Poland using the individual dataset from the 2012 Structure of Earnings by Occupation survey and the propensity score matching method supplemented by quintile regression. Her estimation results reveal that the public sector premium is the highest in the least developed regions. In her view the volatility of this premium can be partly explained by dif-

ferences in economic structures of Polish regions and in particular by the role of the private sector.

In the third paper entitled “Linear and Nonlinear Dynamics of Housing Price in Turkey” Huseyin Karamelikli studies the dynamics between house prices and macroeconomic variables including inflation, interest rate, unemployment and real domestic product using monthly data from the Turkish Statistical Institute and the non-linear autoregressive distributed lag model. The main finding of his paper is the negative long-run relationship between housing prices and industrial production index. According to him this results can be due to substitutionary character of the housing and industrial sectors.

In the fourth paper entitled “When Does the Integration of Mitigation and Adaptation in the Land Use Sector Actually Makes Sense? ” Martín López Ramírez addresses the problem of climate change in the land use sector through two interrelated strategies: mitigation and adaptation. He develops a theoretical model based on the concept of forest transition to study enabling conditions for an enhanced policy outcome in this sector. His results show that although partial policy interventions improve the unregulated economy situation at the same time they deliver sub-optimal land allocation. Hence, optimality can be restored only under an integrated implementation of both strategies.

In the fifth paper entitled “The Impact of Monetary Policy and Agent Heterogeneity on Firm Financing Structure: Evidence from the USA” Anna Malinowska investigates how changes in monetary policy affect firms’ financing decisions and their liability structure using firm-level data for 222 US listed companies over the period 2005–2014 and panel data analysis. Her empirical findings suggest that despite the Zero Lower Bound on the Federal Funds Rate, the three-month US LIBOR retained its impact on firm total debt, long-term bank debt and short-term trade credit. In addition, she finds that monetary policy changes affected also firm’s liability structure, especially through parameters such as size, collateral and profitability.

Finally, in the last paper entitled “Educational Mismatches and Earnings in Poland: Are the Graduates More Penalized for Being Overeducated? ” Leszek Wincenciak estimates an extended Mincer wage regression model with Heckman correction for non-random selection using LFS data for Poland for the second quarter of 2013. He finds significant wage penalties to overeducation as well as positive wage premia for being undereducated. In addition, he finds significant positive returns to years of overschooling and negative for underschooling. His results show that young participants of the labour market are less penalized for being overeducated, which suggests their overeducation is not necessarily a manifestation of lower abilities.

Thanks to generosity of Narodowy Bank Polski the WIEM 2016 Best Paper Prize for Young Economist was awarded to Krzysztof Pytka from the European

University Institute for the single-authored paper entitled “Shopping Effort in Self-Insurance Economies: Accounting for Excess Smoothness of Consumption”. Additional prizes were awarded to Michał Burzyński from the IRES-Université Catholique de Louvain for the paper entitled „The Gain from the Drain: Skill-biased Migration and Global Welfare” and Matija Kovacic from Ca’ Foscari University of Venice for the paper entitled „Risk Attitudes, Investment Behavior and Linguistic Variation”. The abstracts of the awarded papers are presented in the last part of this volume.



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