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# Luiz de Mello

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## Education

PhD in Economics, University of Kent, United Kingdom, 1993

MA in Economics, University of Kent, United Kingdom, 1990

BA in Economics, University of Brasília, Brazil, 1989

## Professional experience

OECD, 2005-present

International Monetary Fund, 1999-2004

University of Kent, United Kingdom, 1993-98

## Selected publications

### In academic journals

“Are Global Imbalances Sustainable? Shedding Further Light on the Causes of Current Account Reversals”, *Review of International Economics*, forthcoming (with P.C. Padoan and L. Rousová)

“How Does Decentralized Minimum Wage Setting Affect Employment and Informality? The Case of Indonesia”, *Review of Income and Wealth*, Vol. 57, pp. S79-S99 (with M. Comola).

“Are Global Imbalances Sustainable? Post Crisis Scenarios”, *Review of Economics and Institutions*, Vol. 2 (2011), pp. 1-32 (with P.C. Padoan).

“Does Fiscal Decentralisation Strengthen Social Capital? Cross-Country Evidence and the Experiences of Brazil and Indonesia”, *Environment and Planning C: Government and Policy*, Vol. 29 (2011), pp. 281-96.

“Monetary Policy and Macroeconomic Stabilisation in Latin America: The Cases of Brazil, Chile, Colombia and Mexico”, *Journal of International Money and Finance*, Vol. 30 (2010), pp. 229-45 (with D. Moccero).

“The Determinants of Labour Force Participation and Employment in Chile”, *Applied Economics* (2010), pp. 1-12 (with D. Contreras and E. Puentes).

“Interdependencies between monetary policy and foreign-exchange intervention under inflation targeting: The case of Brazil and the Czech Republic”, *International Finance*, Vol. 13, No. 2 (2010), pp. 195-221 (with J-Y. Gnabo and D. Moccero).

"The Bank Lending Channel of Monetary Transmission in Brazil: A VECM Approach", *Quarterly Review of Economics and Finance*, Vol. 50 (2010), pp. 50-60 (with M. Pisu).

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"What Is the Value of (My and My Family's) Good Health?", *Kyklos*, Vol. 62 (2009), pp. 594-610. (with E. Tiongson).

"Avoiding the Value Added Tax Theory and Cross-Country Evidence", *Public Finance Review*, Vol. 37 (2009), pp. 27-46.

"The Brazilian 'Tax War': The Case of Value-Added Tax Competition Among the States", *Public Finance Review*, Vol. 36 (2008), pp. 169-193.

"Estimating a Fiscal Reaction Function: the Case of Debt Sustainability in Brazil", *Applied Economics*, Vol. 40 (2007), pp. 271-84.

"Income Inequality and Redistributive Government Spending", *Public Finance Review*, 34 (2006), pp. 282-305 (with E. Tiongson).

"Globalization and Fiscal Federalism: Does Openness Constrain Subnational Budget Imbalances?", *Public Budgeting and Finance*, 25(2005), pp. 1-14.

"Can Fiscal Decentralization Strengthen Social Capital?", *Public Finance Review*, 32(2004), pp. 4-35.

"Optimal Exchange Rate Policy, Wage Bargaining, and Foreign Direct Investment", *Economia Internazionale*, 56(2003), pp. 1-12 (with J. Faria).

"More on the effectiveness of Public Spending on Health Care and Education: A Covariance Structure Model", *Journal of International Development*, 15 (2003), pp. 1-17 (with E. Baldacci and M.T. Guin-Siu).

"Transition Economies: How Appropriate is the Size and Scope of Government?", *Comparative Economic Studies*, 45(2003), pp. 554-76 (with S. Gupta, L. Leruth, and S. Chakravarti).

"Public Finance, Government Spending and Economic Growth: The Case of Local Governments in Brazil", *Applied Economics*, 34(2002), pp. 1871-83.

"Government Spending, Rights, and Civil Liberties", *International Review of Law and Economics*, 22(2002), pp. 257-76 (with R. Sab).

"Corruption and Military Spending", *European Journal of Political Economy*, 17(2001), pp. 749-77 (with S. Gupta and R. Sharan).

"Is Foreign Debt Portfolio Management Efficient in Emerging Economies?", *Journal of Development Economics*, 66(2001), pp. 317-35 (with K. Hussein).

“Fiscal Decentralization and Borrowing Costs: The Case of Local Governments”, *Public Finance Review*, 29(2001), pp. 108-38.

“Fiscal Federalism and Government Size in Transition Economies: The Case of Moldova”, *Journal of International Development*, 13(2001), pp. 255-68.

“Trade and Foreign Direct Investment in Latin America and Southeast Asia: Temporal Causality Analysis”, *Journal of International Development*, 12(2000), pp. 903-24 (with K. Fukasaku).

“Consumption Behaviour and Persistent High Inflation: Evidence from Latin America”, *Revista Brasileira de Economia*, 54(2000), pp. 227-46.

“Fiscal Decentralization and Intergovernmental Fiscal Relations: A Cross-Country Analysis”, *World Development*, 28(2000), pp. 365-80.

“Exchange Rate Management: The Case of Brazil”, *Estudos Econômicos*, 29(1999), pp. 457-74 (with F. Carneiro).

“International Capital Mobility in Developing Countries: Theory and Evidence”, *Journal of International Money and Finance*, 18 (1999), pp. 367-81 (with K. Hussein).

“Intergovernmental Fiscal Relations: Co-ordination Failures and Fiscal Outcomes”, *Public Budgeting and Finance*, 19(1999), pp. 3-25.

“Foreign Direct Investment-Led Growth: Evidence from Time Series and Panel Data”, *Oxford Economic Papers*, 51(1999), pp. 133-51.

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“The Long-Run Behaviour of Exchange Rates in Brazil, Chile and Argentina: A Cointegration Analysis”, *International Review of Economics and Finance*, 6(1997), pp. 37-48 (with F. Carneiro).

“Overlapping Generations and Complex Dynamics: The Vintage Technology Case”, *Journal of Macroeconomics*, 17(1995), pp. 705-18.

“Optimal Vintage Capital Utilisation: Supportability Conditions”, *Economics Letters*, 45(1994), pp. 427-31.

“Biproportionality and Optimal Capital Depletion”, *Economics Letters*, 41(1993), pp. 241-5.

“The Updating of Input/Output Matrices: A Systematic Survey”, *Economics Letters*, 40(1992), pp. 413-6 (with J. Teixeira).

### Contributions to books

“O Ajuste Fiscal no Brasil: Conquistas e Desafios” in M.C. Sampaio de Sousa *et al.* (Orgs.), *Economia Pública Brasileira* (Brasília: ESAF), 2011, pp. 53-70.

Brazil’s Achievements and Challenges’, *CESifo Forum*, Vol. 12 (2011), No. 1, pp. 3-10.

“Financing European Local Governments”, in *IEB Fiscal Federalism Report*, (Barcelona, Institut d’Economia de Barcelona), 2010.

“*Growth and Sustainability in Brazil, China, India, Indonesia and South Africa*”, editor (Paris: OECD), 2010.

“*Monetary Policies and Inflation Targeting in Emerging Economies*”, editor, (Paris: OECD), 2008.

“Local government finances: The link between intergovernmental transfers and net worth”, in G.K. Ingram and Y.H. Hong (Eds.), *Fiscal Decentralization and Land Policies* (Cambridge, MA: Lincoln Institute), 2008..

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“Foreign Direct Investment”, in D. Clark (ed.), *The Elgar Companion to Development Studies* (Cheltenham: Edward Elgar), 2006.

“Is the U.S. Prone to Over-Consumption?”, in Boston Fed Conference Series No. 49, *The Macroeconomics of Fiscal Policy*, 2006 (with J.-P. Cotis and J. Coppel).

“Fiscal Decentralization and Governance: A Cross-Country Analysis”, in G. Abed and S. Gupta (eds.), *Governance, Corruption, and Economic Performance* (Washington: International Monetary Fund), 2002 (with M. Barenstein).

“Brazil: An Evolving Federation”, in E. Ahmad and V. Tanzi (eds.), *Managing Fiscal Decentralization* (London: Routledge), 2002 (with J. Afonso).

“Privatization and Corporate Governance in Brazil”, in A. Pinheiro and K. Fukasaku (eds.), *Privatization in Brazil: The Case of Public Utilities* (Rio de Janeiro: OECD Development Centre and BNDES), 2000.

*Decentralisation, Inter-governmental Fiscal Relations and Macroeconomic Governance*, co-edited with K. Fukasaku (Paris: OECD Development Centre), 1999.

“Fiscal Decentralisation and Macroeconomic Stability: The Experience of Large Developing Countries and Transition Economies”, in R. Hausman and K. Fukasaku (eds.), *Democracy, Decentralisation and Deficits in Latin America* (Paris: OECD Development Centre), 1998 (with K. Fukasaku).

## ECO Working Papers

871. "[The growth effects of current account reversals: the role of macroeconomic policies](#)", No. 871 (with Pier Carlo Padoan and Linda Rousová).

"[Does fiscal decentralisation strengthen social capital? Cross-country evidence and the experiences of Brazil and Indonesia](#)", No. 825 (*Environment and Planning C: Government and Policy*, Vol. 29, pp. 281-96.).

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"[Enhancing the Effectiveness of Social Policies in Indonesia](#)", No. 810 (with Margherita Comola).

"[Are global imbalances sustainable? Post-crisis scenarios](#)", No. 795, 2010 (with Pier Carlo Padoan), also published in the *Review of Economics and Institutions*, Vol. 2 (2011), pp.1-32.

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"[Current account sustainability in Brazil: A non linear approach](#)", No. 703, 2010 (with Matteo Mogliani).

"[The determinants of employment and earnings in Indonesia: A multinomial selection approach](#)", No. 690, 2009 (with Margherita Comola).

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"[Indonesia: Growth performance and policy challenges](#)", No. 637.

"[Encouraging labour force participation in Chile](#)", No. 608 (with D. Contreras and E. Puentes).

"[Tackling business and labour informality in Chile](#)", No. 697 (with D. Contreras and E. Puentes).

"[Managing Chile's macroeconomy during and after the copper price boom](#)", No. 605.

["Avoiding the value added tax: Theory and cross country evidence"](#), No. 604, 2008. Published in Public Finance Review, Vol. 37, pp. 27-46, 2009.

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["Local Government Finances: The Link Between Intergovernmental Transfers and Net Worth"](#), No. 581, 2007. Published in G.K. Ingram and Y.H. Hong (Eds.), Fiscal Decentralization and Land Policies (Cambridge, MA: Lincoln Institute), 2008.

["Monetary Policy and Macroeconomic Stability in Latin America: The Cases of Brazil, Chile, Colombia and Mexico"](#), No. 545, 2007 (with D. Moccero). Forthcoming in Journal of International Money and Finance.

["The Brazilian "tax war": The case of value-added tax competition among the states"](#), No. 544, 2007. Published in Public Finance Review, Vol. 36 (2008), pp. 169-193.

["Social Security Reform in Brazil: Achievements and Remaining Challenges"](#), No. 534, 2006 (with F. Giambiagi).

["Improving Labour Utilisation in Brazil"](#), No. 533, 2006 (with N. Menezes Filho and L. Scorzafave).

["Boosting Innovation Performance in Brazil"](#), No. 532, 2006 (with C. de Brito Cruz).

["Consolidating Macroeconomic Adjustment in Brazil"](#), No. 531, 2006 (with D. Moccero).

["Monetary Policy and Inflation Expectations in Latin America: Long-run Effects and Volatility Spillovers"](#), No. 518, 2006 (with D. Moccero). Published in Journal of Money, Credit and Banking, Vol. 41 (2009), pp. 1671-90.

["The Rates and Revenue of Bank Transaction Taxes"](#), No. 494, 2006 (with J. Baca-Campolonico and A. Kirilenko).

["Brazil's Fiscal Stance During 1995-2005: The Effect of Indebtedness on Fiscal Policy over the Business Cycle"](#), No. 485, 2006 (with D. Moccero).

["Strengthening Regulation in Chile: The Case of Network Industries"](#), No. 455, 2005 (with A. Galetovic).

["Fostering Innovation in Chile"](#), No. 454, 2005 (with J. Benavente and N. Mulder).

["Education Attainment in Brazil: The Experience of FUNDEF"](#), No. 424, 2005 (with M. Hoppe).

["Estimating a fiscal reaction function: the case of debt sustainability in Brazil"](#), No. 423, 2005. Published in Applied Economics, Vol. 40, pp. 271-84, 2007.

["Saving Behaviour and the Effectiveness of Fiscal Policy"](#), No. 397, 2004 (with P.M. Kongsrud and R. Price).