

**Bent E. Sørensen, Curriculum Vitae May 2019.**

**Present Position:**

Lay Professor of Economics, Graduate Director, University of Houston  
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**Degrees:**

Cand. Polit. (M.A. in Economics)—University of Copenhagen 1985.  
Ph. D.—University of Copenhagen, December 1990. Thesis topic: 3 Essays on Econometric Estimation of Economic and Financial Models.

**Past Positions:**

Professor, Department of Economics, Binghamton University, 2001–2003.  
Senior Economist, Economic Research Department, Federal Reserve Bank of Kansas City, 1999–2001.  
Visiting Associate Professor, University of Copenhagen and Copenhagen Business School, 1994–1995.  
Assistant Professor, Department of Economics, Brown University, 1991–1999.

**Other:**

Associate Editor, *Econometric Theory*, 1994–99.  
Associate Editor, *Journal of Business & Economic Statistics*, 2004–2006.  
Research Fellow of the CEPR's Programmes in International Macroeconomics and Finance; Macroeconomics and Growth. Research Fellow 1999–current.  
Research Fellow, FDIC, 2009.  
Recipient of *Economic Journal* Referee Prize for year 2010.  
Research Fellow, EU Commission, DG ECFIN, 2014–2015.  
Visiting Scholar, Federal Reserve Bank of Cleveland 2011–2018.  
Visiting Scholar, Federal Reserve Bank of Boston 2015–2020.

**Publications in Refereed Journals:**

“Channels of Risk Sharing in the Eurozone: What Can Banking and Capital Market Union Achieve?,” *IMF Economic Review*, Forthcoming. (With Mathias Hoff-

mann, Egor Maslov, and Iryna Stewen.)

- “The Marginal Value of Cash, Cash Flow Sensitivities, and Bank-Finance Shocks in Nonlisted Firms,” *International Journal of Banking, Accounting, and Finance*, Forthcoming. (With Charlotte Ostergaard and Amir Sasson.)
- “The Rise and Fall of Consumption in the ’00s. A Tangled Tale,” *Economica*, Forthcoming. (Joint with M.J. Luengo-Prado and Dmytro Hryshko.)
- “Moving to a Job: The Role of Home Equity, Debt, and Access to Credit.” *American Economic Journal: Macroeconomics*, Vol. 9, April 2017, 149-81. (With Yuliya Demyanyk, María José Luengo-Prado, and Dmytro Hryshko.)
- “How do Politicians Save? Buffer-Stock Management of Unemployment Insurance Finance.” *Journal of Urban Economics*, Vol. 93, May 2016, 18–29. (With Steven G. Craig, Wided Hemissi, and Satadru Mukherjee.)
- “Deep Financial Integration and Volatility.” *Journal of the European Economic Association*, Vol. 12(6), December 2014. (With Sebnem Kalemli-Ozcan and Vadym Volosovych.)
- “Debt Crises and Risk-Sharing: The Role of Markets versus Sovereigns.” *Scandinavian Journal of Economics*, Vol. 116(1), January 2014. (With Sebnem Kalemli-Ozcan and Emiliano Luttini.)
- “Interaction Effects in Econometrics.” *Empirical Economics*, Vol. 45, August 2013, 583–603. (With Hatice Ozer-Balli.)
- “Subjective Well-Being: Keeping Up With the Perception of the Joneses.” *Social Indicators Research*, Vol. 109, December 2012. 439–469. (With Cahit Guven.)
- “Leverage Across Firms, Banks, and Countries.” *Journal of International Economics*, Vol. 88, November 2012, 284–298. (With Sebnem Kalemli-Ozcan and Sevcan Yesiltas.)
- “Risk Sharing through Capital Gains.” *Canadian Journal of Economics*, Vol. 45, May 2012, 472–492. (With Faruk Balli and Sebnem Kalemli-Ozcan.)
- “The Effect of Education on Equity Holdings.” *B.E. Journal of Economic Analysis & Policy (Contributions)*, Vol. 12(1), March 2012. (With María José Luengo-Prado and Dmytro Hryshko.)

- “Childhood Determinants of Risk Aversion: The Long Shadow of Compulsory Education.” *Quantitative Economics*, Vol. 2, March 2011, 37-72. (With María José Luengo-Prado and Dmytro Hryshko.)
- “House Prices and Risk Sharing.” *Journal of Monetary Economics*, Vol. 57, November 2010, 975–987. (With María José Luengo-Prado and Dmytro Hryshko.)
- “Why Does Capital Flow to Rich States?” *Review of Economics & Statistics*, Vol. 92, November 2010, 769–783. (With Sebnem Kalemli-Ozcan, Ariell Reshef, and Oved Yosha.)
- “Financial Integration within EU Countries: The Role of Institutions, Confidence, and Trust.” In *NBER International Seminar on Macroeconomics 2007*. MIT Press 2008. (With Mehmet Fatih Ekinici and Sebnem Kalemli-Ozcan.)
- “What Can Explain Excess Smoothness and Sensitivity of State-Level Consumption?” *Review of Economics & Statistics*, Vol. 90, February 2008, 65–80 (With María José Luengo-Prado.)
- “U.S. Banking Deregulation, Small Businesses, and Interstate Insurance of Personal Income.” *Journal of Finance*, Vol. 62, November 2007, 2763–2801. (With Yuliya Demyanyk and Charlotte Ostergaard.)
- “Home Bias and International Risk Sharing: Twin Puzzles Separated at Birth.” *Journal of International Money and Finance*, Vol. 26, June 2007, 587–605. (With Yi-Tsung Wu, Oved Yosha, and Yu Zhu.)
- “Producer Prices versus Consumer Prices in the Measurement of Risk Sharing.” *Applied Economics Quarterly*, Vol. 53, January 2007, 3–17. (With Oved Yosha.)
- “Financial Market Integration in the Middle East: How Big is the Peace Dividend.” *Israeli Economic Review*, Vol. 1, November 2003, 1–19. (With Oved Yosha.)
- “Risk Sharing and Industrial Specialization: Regional and International Evidence.” *American Economic Review*, Vol. 93, June 2003, 903–918. (With Sebnem Kalemli-Ozcan and Oved Yosha.)
- “Consumption and Aggregate Constraints: Evidence from US States and Canadian Provinces.” *Journal of Political Economy*, Vol. 110, June 2002, 634–645. (With Charlotte Ostergaard and Oved Yosha.)

- “Economic Integration, Industrial Specialization, and the Asymmetry of Macroeconomic Fluctuations.” *Journal of International Economics*, Vol. 55, September 2001, 107–137. (With Sebnem Kalemli-Ozcan and Oved Yosha.)  
[Reprinted with extensions in Elhanan Helpman and Efraim Sadka (Eds.) *Economic Policy in the International Economy*. Cambridge University Press 2003, Cambridge, UK.]
- “Output Fluctuations and Fiscal Policy: U.S. State and Local Governments 1978–1994.” *European Economic Review*, Vol. 45, June 2001, 1271–1310. (With Lisa Wu and Oved Yosha.)
- “The Demand for Risky Assets. Sample Selection and Household Portfolios.” *Journal of Econometrics*, Vol. 97, July 2000, 117–144. (With William Perraudin.)  
[Reprinted in *Household Finance, Vol I*, ed. Michael Halliasos, Edward Elgar 2015]
- “Efficient Method of Moments Estimation of a Stochastic Volatility Model. A Monte Carlo Study.” *Journal of Econometrics*, Vol. 91, July 1999, 61–87. (With Torben G. Andersen and Hyung-Jin Chung.)
- “Worker Flows and Job Flows in Danish Manufacturing, 1980–1991.” *Economic Journal*, Vol. 108, November 1998, 1750–71. (With Karsten Albæk.)
- “International Risk Sharing and European Monetary Unification.” *Journal of International Economics*, Vol. 45, August 1998, 211–38. (With Oved Yosha.)  
[Reprinted in Sylvester C.W. Eijffinger and Jan J.G. Lemmen (Eds.) *International Financial Integration*. Edward Elgar 2003, Cheltenham, UK.]
- “GMM and QML Asymptotic Standard Deviations in Stochastic Volatility Models: Comments on Ruiz (1994).” *Journal of Econometrics*, Vol. 76, Jan./Feb. 1997, 397–403. (With Torben G. Andersen.)
- “Channels of Interstate Risk Sharing: United States 1963–1990.” *Quarterly Journal of Economics*, Vol. 111, November 1996, 1081–1110. (With Pierfederico Asdrubali and Oved Yosha.)  
[Reprinted in De Grauwe (Ed.) *The Political Economy of Monetary Union*. Edward Elgar 2001, Cheltenham, UK.]
- “Finding Cointegration Rank in High Dimensional Systems Using the Johansen Test. An illustration using data based Monte Carlo methods.” *Review of Economics and Statistics*, Vol. 78, November 1996, 726–732. (With Mun Ho.)

“GMM Estimation of a Stochastic Volatility Model. A Monte Carlo Study.” *Journal of Business & Economic Statistics*, Vol. 14, July 1996, 328–352. (With Torben G. Andersen.)

“A Continuous Time Arbitrage Pricing Model with Stochastic Volatility and Jumps.” *Journal of Business & Economic Statistics*, Vol. 14, January 1996, 31–43. (With Mun Ho and William Perraudin.)

“Asymptotic Distributions of the Least Squares Estimators and Test Statistics in the Near Unit Root Model with Non-Zero Initial Value and Local Drift and Trend.” *Econometric Theory*, Vol. 10, December 1994, 952–981. (With Seiji Nabeya.)

“The Credit-Constrained Consumer: An Empirical Study of Demand and Supply in the Loan Market.” *Journal of Business & Economic Statistics*, Vol. 10, April 1992, 179–193. (With William Perraudin.)

“Continuous Record Asymptotics in Systems of Stochastic Differential Equations.” *Econometric Theory*, Vol. 8, March 1992, 28–51.

#### **Chapters in Collective Volumes:**

“Misallocation, Property Rights, and Access to Finance: Evidence from Within and Across Africa.” In *African Successes: Modernization and Development*, eds. Sebastian Edwards, Simon Johnson, and David N. Weil, University of Chicago Press 2016 (With Sebnem Kalemli-Ozcan.)

“Factor Movements: FDI.” In *Handbook of the Economics of European Integration*, eds. Harald Badinger and Volker Nitsch, Routledge 2015. (With Carolina Villegas-Sanchez.)

“Where Does Capital Flow? A Comparison of U.S. States and EU Countries 1950–2000.” In L. Jonung, C. Walkner, and Max Watson, eds. *Building the Financial Foundations of the Euro. Experiences and Challenges*, Routledge, London, U.K., 2008 (With Belgi Turan and Sebnem Kalemli-Ozcan.)

“Financial Integration and Economic Welfare.” In X. Freixas, P. Hartmann, and C. Mayer, eds. *Handbook of European Financial Markets and Institutions: A European Perspective*, Oxford University Press, Oxford, U.K., 2008 (With Sebnem Kalemli-Ozcan.)

“Asymmetric Shocks and Risk Sharing in a Monetary Union: Updated Evidence and Policy Implications for Europe.” In H. Huizinga and L. Jonung, eds. *The Internationalisation of Asset Ownership in Europe*, Cambridge University Press 2005, New York. (With Sebnem Kalemli-Ozcan and Oved Yosha.)

“Intranational and International Credit Market Integration: Evidence from Regional Income and Consumption Patterns.” In G. Hess and E. van Wincoop, eds. *Intranational and International Macroeconomics*, Cambridge University Press 2000, New York. (With Oved Yosha.)

“Federal Insurance for US States: An Empirical Investigation.” In A. Razin and E. Sadka, eds. *Globalization: Public Economics Policy Perspectives*, Cambridge University Press 1999, New York. (With Oved Yosha.)

“Consumption Smoothing through Fiscal Policy in OECD and EU Countries.” In J. Poterba and J. von Hagen, eds. *Fiscal Institutions and Fiscal Performance*, Chicago University Press 1999, Chicago. (With Adriana Arreaza and Oved Yosha.)

#### **Federal Reserve Bank and Similar Articles:**

“Small Firms and Domestic Bank Dependence in Europe’s Great Recession.” *European Economy*, Discussion Paper #12, European Commission, September 2015. (With Mathias Hoffmann.)

“Why Has Consumption Been So Volatile in the New Millennium?,” *Economic Commentary*, Federal Reserve Bank of Cleveland. July 2015. (With Yuliya Demyanyk, Dmytro Hryshko, Daniel Kolliner, and Mara Jose Luengo-Prado.)

“Keeping the House or Moving for a Job.” *Economic Commentary*, Federal Reserve Bank of Cleveland. July 2013. (With Yuliya Demyanyk, Dmytro Hryshko, and Mara Jose Luengo-Prado.)

“Risk Sharing and Portfolio Allocation in EMU.” *European Economy Economic Papers* No. 334, 2008, European Commission. (With Yuliya Demyanyk and Charlotte Ostergaard.)

“Banking Deregulation Helps Small Business Owners Stabilize Their Income.” *The Regional Economist*, April 2007, Federal Reserve Bank of St. Louis, (With Yuliya Demyanyk and Charlotte Ostergaard.)

“Is State Fiscal Policy Asymmetric Over the Business Cycle?” *Economic Review* Federal Reserve Bank of Kansas City, Third Quarter 2001. (With Oved Yosha.)

“Is Risk Sharing in the United States a Regional Phenomenon?” *Economic Review*  
Federal Reserve Bank of Kansas City, Second Quarter 2000. (With Oved Yosha.)

### **Book Review:**

Review of “*Financial Calculus. An Introduction to Derivative Pricing,*” by Martin Baxter and Andrew Rennie, Cambridge University Press 1996. *Econometric Theory*, Vol. 14, 1998, 365–368.

### **Vox EU, policy analysis based on research**

- “Banking integration in the EMU: Lets get real!” January 2019, With Mathias Hoffmann, Egor Maslov, and Iryna Stewen.
- “Shocks and risk sharing in the EMU: Lessons for Banking and Capital Market Union,” in Vox e-Book ”Europes future: The value of an institutional economics perspective” Edited by Nauro Campos and Jan-Egbert Sturm, May 2018. With Mathias Hoffmann, Egor Maslov, and Iryna Stewen.
- “How big are productivity gains from FDI?” with Sebnem Kalemli-Ozcan, June 2013
- “Hedging macroeconomic risk in the Eurozone: Fiscal union versus capital markets,” with Mathias Hoffmann, November 2012
- “Capital gains on international portfolios: New evidence from the Eurozone,” with Sebnem Kalemli-Ozcan, May 2012
- “Trust and European capital market integration,” with Sebnem Kalemli-Ozcan, November 2007

### **Teaching:**

Current Graduate: Econometrics II; Macroeconomic theory III; Macroeconomic Dynamics; Intranational Macroeconomics.

Past Undergraduate: Introductory econometrics (Yale, Brown). Empirical econometrics (Brown). Empirical finance (Brown). Intermediate macroeconomics (Binghamton). International monetary economics (Binghamton).

Past Graduate: Quantitative economic analysis: probability and statistics (Houston); Introductory econometrics (Brown/Houston). Time series analysis (Brown). Empirical methods in macro and finance (Brown). GMM-estimation with applications (Copenhagen). Macroeconomic theory II; Macroeconomic Dynamics II (Houston).

Short Ph.D. courses: University of Copenhagen, University of Aarhus, University of Zurich.

**Ph.D. advising by year of graduation, main advisorships only.**

Main advisor (Brown University): Christopher Field 1996, Rohit Malhotra and Hyungjin Chung 1997, Adriana Arreaza and Lisa Wu 1999, Sebnem Kalemli-Ozcan, Maria Kula and Maria Luengo-Prado 2000. Main advisor (Binghamton University): Yu Zhu 2004, Kiril Tochkov 2005, Yi-Tsung Wu 2007. Main advisor (University of Houston): Vadym Volosovych, Yuliya Demyanyk, Dmytro Hryshko, and Murat Arslan 2006. Faruk Balli and Levent Bulut 2007. Mayank Gautam, Chung-Liang Lin, and Cahit Guven 2008. Borys Dodonov, Indrit Hoxha, Sreenath Majumder, and Parul Mathur 2009. Sunayana Mehra 2010. Juan Urquiza Ph.D. 2011, Joel Melendez-Lugo and Wided Hemessi 2012. Emiliano Luttini and Bin Gao 2014. Wen Long, Chris Biolsi, and Volomyr Korsun 2015. Edson Silveira Sobrinho and Amrita Dahr 2016. Subash Khattry and Bocong Du 2017.