



EIIW News

Europäisches Institut für Internationale Wirtschaftsbeziehungen EIIW
European Institute for International Economic Relations

Annual Report 2020

We contribute to the digital world economy: www.eiiv.eu

Paul J.J. Welfens: Editorial - 25 Years Anniversary

■ Founded in Potsdam on July 5th, 1995, the European Institute for International Economic Relations (EIIW) was based at the University of Potsdam for almost a decade. The Institute organized many international conferences with a focus on issues such as systemic transformation, environmental policy, international monetary system analysis, social security and ageing as well innovation, entrepreneurship, telecommunication liberalization and growth, producing many high-quality publications and hosting many leading guest researchers. With a motivated and international team, the EIIW has enjoyed an increasing reputation within the scientific and policy communities.

Award-winning research – for example, the publication of Welfens/Graack on Deregulation, Privatization and Internationalization of the Telecommunications Sector (a German-language book published by Springer, Heidelberg) which won the Scientific Prize of the Ritter Foundation (Bremen) in 1995 – was a key part of this reputation building effort. The EIIW has consistently emphasized innovative research topics and indeed has been a leader in the field of digital and ICT innovation and expansion analysis; policy-oriented research has also been a central part of EIIW activities: jointly with Bodo Hombach, the former head of Chancellor Gerhard Schroeder's office, Paul Welfens took the initiative of bringing the national IT Summit to Essen in November 2012.

In its early years, the EIIW was also particularly active in transformation analysis regarding Eastern Europe in the 1980s and 1990s. The EIIW is once again quite active in analyzing European and global transformations in the early 21st century, at a time when the G20 have to find an efficient pathway to achieving climate neutrality by 2050. Moreover,



Prof. Dr. Paul JJ Welfens

the EIIW has developed a special expertise in the analysis of EU integration as well as integration dynamics in other regions of the world economy – recently, BREXIT brought the new challenge of understanding how disintegration dynamics unfold. As regards the EU, the EIIW wants to develop a broader and deeper understanding of the overall integration picture; thus, we have analyzed key markets and sectors, respectively, including – amongst others – the ICT sector, the automotive sector, banking & finance and the health sector. Knowledge transfer to policymakers and participating in public debates is often part of the EIIW's research approach. At the same time, the Institute aims to encourage the international exchange of ideas, as well as steps towards local, regional and national networking plus European and indeed global co-operation in research. Innovative analysis has been a hallmark of several major EIIW projects. EIIW Discussion Paper 300 by Werner Roeger and Paul Welfens is a good example of this as it is the first DSGE macro model to include both trade and FOREIGN DIRECT INVESTMENT (i.e., multinationals) – while also looking at both process innova-



Anniversary Conference „20 Years EIIW“, Allianz Forum Berlin, 2015

tions AND product innovations. The Welfens/Baier (2018) publication on Foreign Direct Investment in the context of BREXIT – within a Deutsche Bundesbank-sponsored project – could also be mentioned here as a rather recent highlight, not forgetting many other papers from EIIW staff members.

We have contributed to the national and international economic policy dialogue as well as the broader public debate surrounding key issues in Economics as well as international monetary and national fiscal policy. We were invited to contribute to an international benchmarking study on Entrepreneurship and Risk Capital for the Ministry of Economic Affairs of the Netherlands as well as to projects organized by the European Commission. I am extremely grateful to the co-founders of the EIIW and the fruitful cooperation with the University of Potsdam and the Faculty of Economics and Social Sciences, respectively. In particular, I would like to express my sincere thanks to EIIW Vice-President Wilfried Fuhrmann (Chair of Macroeconomics, University of Potsdam) and Peter Palinkas (long-serving EIIW Treasurer), Luxembourg, who at the time of the founding of the EIIW was working in the scientific staff of the European Parliament. Special thanks also go to the vita Foundation, Oberursel, and its intellectual leader – Frank Mueller – for its long-term financial support of the EIIW and its research.

When I moved to the University of Wuppertal, the EIIW also changed its seat moving into new premises on Campus Freudenberg at the University of Wuppertal. The journal International Economics and Economic Policy (IEEP, Springer) had already been planned and launched in Potsdam, but the new venture truly became a crucial

Content

- | | |
|--|---------------------------------|
| ■ Paul JJ Welfens: Editorial - 1-2 | ■ EIIW Vita Indicator - 5 |
| ■ Upcoming International Workshops - 3 | ■ Publications - 5 |
| ■ EIIW Study: Urban Wind Energy - 4 | ■ Review 20 Years EIIW 2015 - 6 |
| ■ EIIW Approach in Applied Economics - 4 | ■ Thank You to the Team - 6 |
| ■ Funding - 4 | |

Paul J.J. Welfens: Editorial (continued)

outlet and successful project at the University of Wuppertal. Despite the move, scientific discovery and excellence remained key traits of the Institute which continued to base its success on a diverse and international staff and a worldwide network of contacts to researchers in Economics – many in leading universities and major international organizations

I am very grateful to the Schumpeter School of Business and Economics at the University of Wuppertal, but also to many foundations and sponsors which have supported and enabled workshops and research projects over many years. Sustainability analysis in a European and international perspective has been a core field of research ever since the earliest days of the EIIW. We are particularly grateful for the research support of Deutsche Bundesbank which sponsored a research project on BREXIT-related capital market dynamics in Europe, but which also supported the EIIW in the early stages at the University of Potsdam. Attached is a list of major financial supporters of the EIIW over the past 25 years, as well as foundations which have supported large, international research projects. The EIIW, and particularly Paul Welfens, was not only active in this context but also in providing expert analysis for and testimony to the Federal Government of Germany, the European Commission, the European Parliament, the International Monetary Fund, the International Telecommunications Union, the InterAction Council, the US Senate and the United Nations, as well as several NGOs and private firms.

Practical economic reform aspects, as well as issues of appropriate policy reforms, have remained high on the agenda of the EIIW. Members of the EIIW team were, for example, active in debating the role of the Euro in terms of European economic integration, discussing the benefits of telecoms liberalization and also supporting the idea of a Transatlantic Trade and Investment Partnership (not necessarily with a strong focus on the latter, which involved some complex issues). Time and again, Paul Welfens has developed key arguments in favor of a modernized Social Market Economy, but also innovative arguments for an internationally-integrated CO₂ Emissions Trading System within the framework of the G20.

Some of the recent books of Paul Welfens have been aimed at a broader group of readers – the timely book *An Accidental BREXIT* (London, Palgrave Macmillan) was presented in London, Princeton, Brussels and in other places. Similarly, *The Global Trump* (London, Palgrave Macmillan) is also a special analysis and might be considered to be complementary reading as it also deals with the partial demise of the West in a setting of significant new economic contradictions and sharp international conflicts in which the Trump Administration – with its political polarizing effect – has played a major role; a recording of my presentation of that book at UC Berkeley in February 2020 is available on Youtube here. A more standard book which one might mention from a long list of publications – often co-authored or co-edited with

colleagues from OECD countries and Newly Industrializing Countries – is *Innovations in Macroeconomics* (the 3rd revised edition, Heidelberg and New York, Springer) which was published in 2011. Several English/German books of Paul Welfens have been translated into other foreign languages including Chinese, Russian, French and Japanese.

Over 25 years, the EIIW has hosted more than 40 international workshops and conferences. As regards the EIIW's 25th Anniversary Workshop, the Covid-19 pandemic forced its postponement in 2020, and the workshop is now planned for September 2021 as a live event, possibly incorporating some digital elements. Paul Welfens gratefully notes that in summer 2020 he was ranked amongst the top 5 percent of economists in the EU (based on information from RePEc). More importantly, is that the international team of EIIW researchers – and the body of research produced – stands for a strong spirit of intellectual discovery, scientific excellence in key economic fields and a willingness to explore new scientific ground with advanced methodologies – often with benefits for individuals, society, national governments, the European Commission and citizens across the EU and the global economy. There is also a deep appreciation at the EIIW that leading international partners have been available and willing to co-operate in various forms over many years, in particular the AICGS/Johns Hopkins University, but also the Leontief Institute in St. Petersburg and cooperation partners in Beijing, Shanghai, Birmingham, London and Paris.

One important recent project in 2019/20 concerned the job market perspectives of female refugees on behalf of the Jobcenter Wuppertal, for which more than 6,000 surveys were mailed out – nearly 700 responses were used to derive descriptive statistics as well as an empirical analysis plus policy conclusions featuring many new insights. I am grateful to several interns and junior researchers including XXX(Herrn Zander fragen), and to the principal investigators on my side, namely Dr. Fabian Baier and Tobias Zander, who assisted in the planning, implementation and finalization of this innovative study. The project could lead to follow-up research in both Germany and the Netherlands in the near future.

I look forward to the publishing of the English-language book *Global Climate Change Policies* (London) this year; as regards the editing of the book, I am very grateful to David Hanrahan who has been a very active member of our team – both at the Chair and the EIIW. With respect to the EIIW Advisory Board, we can now officially welcome its most recent member, namely Holger Wolf of Georgetown University – we very much look forward to his cooperation with the Board.

As regards the network built from previous EIIW researchers, one may point to many firms, NGOs and international organizations

where excellent economists with experience in national and international projects have become leading actors in their respective fields. Finally, I should like to express my gratitude to the President of the University of Wuppertal, Prof. Dr. Lambert T. Koch, for both his personal and the universities long-term support of the EIIW and a lively cooperation. Last but not least, the EIIW is grateful for the occasional support of the Schumpeter Foundation, Wuppertal, which has supported international conferences with leading researchers.

Wuppertal, March 2021

Paul JJ Welfens




Eds. Joscha Beckmann, Christian Richter, Paul J.J. Welfens, Holger C. Wolf

Journal International Economics and Economic Policy, Vol. 18, No 2, May 2021
Heidelberg: Springer

Upcoming International Workshops

„How will COVID-19 affect an already fragile global economy?“

On the 11th June, 2021, the EIIW will host an international digital workshop organized by **Joaquim Oliveira Martins** and **Werner Roeger** where the focus is on economic shocks and policy dynamics during the Corona Pandemic – in an already economically-weakened world economy. The workshop program is shown subsequently; a special issue of IEEP on the basis of papers at the workshop is expected in the second half of 2021.

Editors:

Joaquim Oliveira Martins, CEPII and PSL-University Paris Dauphine
Werner Roeger, EIIW, DIW and VIVES

Chair: Paul J.J. Welfens, EIIW

09:00 Welcome Address:

Paul J.J. Welfens,

President of the EIIW, Chair for Macroeconomics and Jean Monnet Chair at the Schumpeter School of Business and Economics, University of Wuppertal

09:10 The impact of the COVID-19 pandemic on productivity dynamics by industry

Bart van Ark (The Productivity Institute, University of Manchester), **Klaas de Vries** (The Conference Board), **Abdul Erumban** (University of Groningen)
 Discussant: **Paul J.J. Welfens**, EIIW/University of Wuppertal

10:00 How lockdown causes a missing generation of start-ups and jobs

Shyngys Karimov (KU Leuven), **Joep Konings** (KU Leuven)
 Discussant: **Werner Roeger**, DIW (Berlin)/EIIW (Wuppertal)/VIVES (University of Louvain)

Coffee break 10:50-11:10

11:10 COVID-19 acceleration in digitalization, aggregate productivity growth and the functional income distribution

Bjoern Doehring (European Commission), **Atanas Hristov** (European Commission), **Werner Roeger** (DIW, EIIW, VIVES), **Anna Thum-Thysen** (European Commission)
 Discussant: **Robert Kollman**, ULB, Brussels

Lunch break: 12:00-12:30

12:30 Who absorbs the shock? An analysis of the exposure of central governments to subnational governments' fiscal risks in the time of COVID-19

Pietrangelo de Biase (OECD), **Sean Dougherty** (OECD)
 Discussant: **Istvan Szekely** (European Commission; DG ECFIN)

13:20 Nominal and real interest rates in OECD countries: An eclectic approach

Claude Bismut, CEE-M (University of Montpellier),

Ismaël Ramajo (CEE-M, University of Montpellier)
 Discussant: **Werner Roeger**, DIW (Berlin)/EIIW (Wuppertal)/VIVES (University of Louvain)

14:10 Globalization, Freedoms and Economic Convergence: An empirical exploration of a tri-variate relationship using a large panel

Jorge Braga de Macedo (CGG, Nova School of Business and Economics, Lisbon), **Joaquim Oliveira Martins** (CEPII and University Paris Dauphine-PSL), **João Tovar Jalles** (ISEG/UECE, Lisbon)
 Discussant: **Sébastien Jean**, CEPII

15:00 Covid-19 and the Euro Area Macroeconomy: The Role of the Liquidity Trap

Robert Kollmann (ULB, Brussels)
 Discussant: **Romanos Priftis**, Bank of Canada

15:50 General Discussion



Forthcoming Event

EIIW 25th Anniversary Workshop in Frankfurt on September 23rd and 24th, 2021

The preliminary agenda of the (Corona-) postponed workshop looks as follows:

September 23th

20:00 Uhr **Dinner for Workshop Participants**,
 Dinner Speech: **Emanuel Mönch***, Deutsche Bundesbank

September 24th

Regional Integration, Climate Policy Innovations and Reforms of International Organizations

9:00 Paul JJ Welfens*, Welcome Remarks

I. Regional Integration Dynamics,

Chairperson: Xenia Matschke, University of Trier

9:10-10:00 Import Tariffs, Foreign Direct Investment plus Innovation Macro Dynamics and Multinational Market Power in a Schumpeterian Perspective

Werner Roeger* and **Paul Welfens***, EIIW
 Discussant: **Xenia Matschke**, University of Trier

10:00-10:50 European Integration, Green Innovations and Techno-Globalization

Bernhard Dachs, Austrian Institute of Technology, Vienna
 Discussant: **Uwe Walz**, University of Frankfurt

10:50-11:00 Coffee Break

11:00-11:50 Asean Integration, ICT and Green Modernization: Empirical Perspectives on Regional Economic Convergence,

Tony Irawan*, Bogor University
 Discussant: **Tian Xiong***, EIIW/University of Wuppertal

II. Climate Policy Innovations,

Chairperson: Ralf Wiegert*, Markit IHS

11:50-12:40 Green Innovations and Growth: Theoretical and Empirical Analysis

Andre Jungmittag*, EU Joint Research Centre, Sevilla
 Discussant: **Thomas Gries***, University of Paderborn

12:40-13:30 Lunch Break/Lunch

Speech: **Alfred Schipke***, IMF, Singapore

13:30-14:20 Climate Policy and Greening Economic Growth: Simulation Results

Lucas Bretschger*, ETH Zürich
 Discussant: **Jürgen Jerger***, University of Regensburg

14:20-15:10 British, EU and Chinese Climate Policy – Reforms and Co-operation

Raimund Bleischwitz*, University College London
 Discussant: **Rainer Walz**, Fraunhofer Institute ISI, Karlsruhe

15:10-15:30 Coffee Break

III. Reforms of International Organizations and Global Stability

Chairperson: Wilfried Fuhrmann, EIIW

15:30-16:20 Political Economy Aspects of Reforming International Organizations (to be confirmed),

Friedrich Schneider*, University of Linz
 Discussant: **Ludger Schuknecht***, Singapore (via ZOOM)

16:20-17:10 Stages in IMF Modernization: Historical and Economic Perspectives,

Harold James*, Princeton University
 Discussant: **Volker Clausen***, University of Duisburg-Essen

Panel 17:10-18:00: Effiziente Klimaschutzpolitik und „grüne Finanzmärkte“:

Ulrich Kater*, Dekabank, **Fritzi Köhler-Geib***, KfW; **Michael Heise***, Macroadvisors; **Paul J.J. Welfens***, EIIW
 Moderator: TBA

*confirmed

EIIW Study: Urban Wind Energy Production Potential: New Opportunities

■ A new innovative study has been published in December 2020 as EIIW paper No. 287 (<https://eiiw.wiwi.uni-wuppertal.de/en/publications/discussion-papers/nr-287.html>) by Alina Wilke and Paul JJ Welfens. This is the first study which has presented simulation results for Lisbon, Hamburg and Boston. Lisbon is identified as leading in terms of the potential of raising the relative share of renewable energy through roof-mounted small wind generators.

For more new EIIW papers see our [website](#) – including recently papers on empirical aspects of savings and ageing in OECD countries and climate protection policy issues.

■ Over 300 EIIW Discussion Papers bear witness to the analytical and economic policy focused research of the EIIW in Economics. In [EIIW Discussion Paper 300](#), by Werner Roeger – formerly the head of the Quest modeling group at DG ECFIN of the European Commission – and Paul Welfens, the authors present the first FDI-based DSGE Macro Model which moreover also integrates both process innovations and product innovations. This ground-breaking paper, with its innovative focus on the role of multinationals and Schumpeterian innovation dynamics, will be presented in academic circles and before selected audiences at leading central banks and international organizations.

■ **Journal International Economics and Economic Policy:** The board of Managing Editors has welcomed Joscha Beckmann, University of Greifswald, as its newest member. Tian Xiong has followed in the footsteps of Dr. Fabian Baier as Editorial Assistant of the journal.

EIIW Approach in Applied Economics: Political Economy of Reforms and a Specific Look at International Inequality Aspects

■ Applied Economics is part and parcel of the EIIW research approach and when economic policy challenges emerge we stand ready to conduct high quality research and to organize a fruitful dialogue between science, the public and the policy community. As regards the broader political philosophy at the EIIW I have often emphasized that adequate economic reforms and enhanced international co-operation can generate many benefits in a long term perspective: This view dates back to post-socialist systemic reforms in the 1990s in Eastern Europe (EIIW e.g. was active in an EU-financed research project where EIIW has cooperated with George Yarrow, Hertford College/University of Oxford) and also includes suggested reforms in the EU as well as in International Organizations. Later there also was an EU-financed project with colleagues from the University of Birmingham (Cillian Ryan). The DFG-financed sustainability project SINCERE with Raimund Bleischwitz, UCL, and colleagues in Maastricht (MERIT, Rene Kemp), Paris (Ecole des Mines, Matthieu Glachant) and Shanghai (Jiao-Tong University; Yong Geng) also was supported by the EIIW. Economic competition coupled with adequate regulations – e.g. in financial markets in OECD countries and in Newly Industrialized Countries – plus consistent economic policy will bring about a rise of real per capita income for often roughly one half (or the majority) of the population in the World Economy. Such progress does not come at the expense of the other half of the world population facing a decline of the economic position or of “happiness”

as defined in international economic surveys such as the World Value Survey. It is remarkable that the German sociologist Andreas Reckwirth in his interesting book *Die Gesellschaft der Singularitäten/Society of Singularities* holds a totally different view which translates into a Sisyphos-type perception of a strange zero sum game view: What some groups gain is lost by others. This is the anti-thesis to Jeremy Bentham's idea (Bentham lived 1748 to 1832) that society/government should try to achieve the highest economic welfare for the highest number of individuals. While it is true that the share of the lower 50% income earners in the US have faced a decline in the income share in the US in 1982-2015 – much less pronounced is this phenomenon in the EU – the absolute real income of relatively poor strata in the United States have increased in absolute terms. Clearly, the rising relative US inequality creates political instability problems, but it is not true that the rise of the upper half of income earners in the US comes at the expense of the lower half of the income pyramid. One should not overlook the fact that effective life time income in Germany and France in 2016 was not lower than that of people in the United States whose international leadership position has been eroding, not least due to problems in the health care system: the US spends 1/3 more on health than Germany and France, respectively, but in the early 21st century is has a lower life expectancy and a higher infant mortality than Germany and France (and many other EU countries).

Expressing our Gratitude for Funding and Support

EIIW research and policy reform projects have enjoyed the support of many foundations, companies and NGOs – the list gives a selective overview.

- Alfred Krupp von Bohlen und Halbach Foundation, Essen
- AOL Deutschland, Hamburg
- Barmenia Insurance Company, Wuppertal
- Böckler Foundation, Düsseldorf
- BP Europe
- Deutsche Bank, Potsdam
- Dresdner Bank, Frankfurt
- Deutsche Telekom AG, Bonn
- Fonis Bank, Brussels
- Landesinvestitionsbank Brandenburg, Potsdam
- Haniel Foundation, Duisburg
- IKB, Düsseldorf
- RAG, Essen
- SAP, Walldorf

- Siemens AG, Munich
- Stadtsparkasse Wuppertal
- Volkswagen Foundation, Wolfsburg
- Vorwerk Company, Wuppertal
- Wolfgang Ritter Foundation, Bremen
- WSW - Wuppertaler Stadtwerke

We also appreciate the support of and project financing from:

- the European Commission
- the Deutsche Bundesbank
- the European Parliament
- the German Government
- the Government of the Netherlands

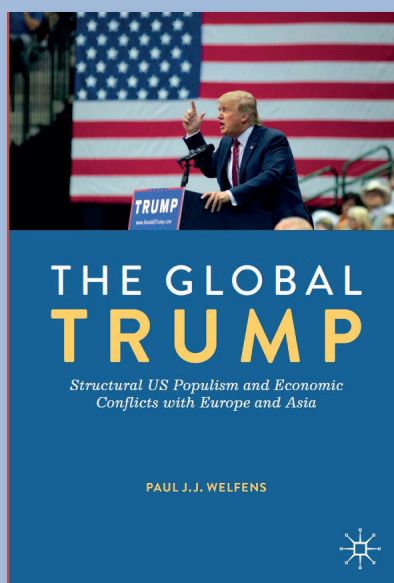
s regards our international partner network we particularly appreciate cooperation with

- AICGS/The Johns Hopkins University, ARC-Sys (AIT), Vienna
- CASE research center, Warsaw
- Russian Academy of the Sciences, Moscow
- Higher School of Economics, Moscow
- Institute for World Economics, Budapest
- Center for European Studies at Chulalongkorn University, Bangkok
- Center for European Studies at the University of Birmingham
- Leontief Center, St. Petersburg
- MERIT at the University of Maastricht
- UCL, London
- Shanghai Jiao Tong University

Publications 2019



Paul J.J. Welfens,
**Klimaschutzpolitik -
Das Ende der Komfortzone**
Heidelberg: Springer



Paul J.J. Welfens
**The Global Trump -
Structural US-Populism and Economic
Conflicts with Europe and Asia**
London: Palgrave



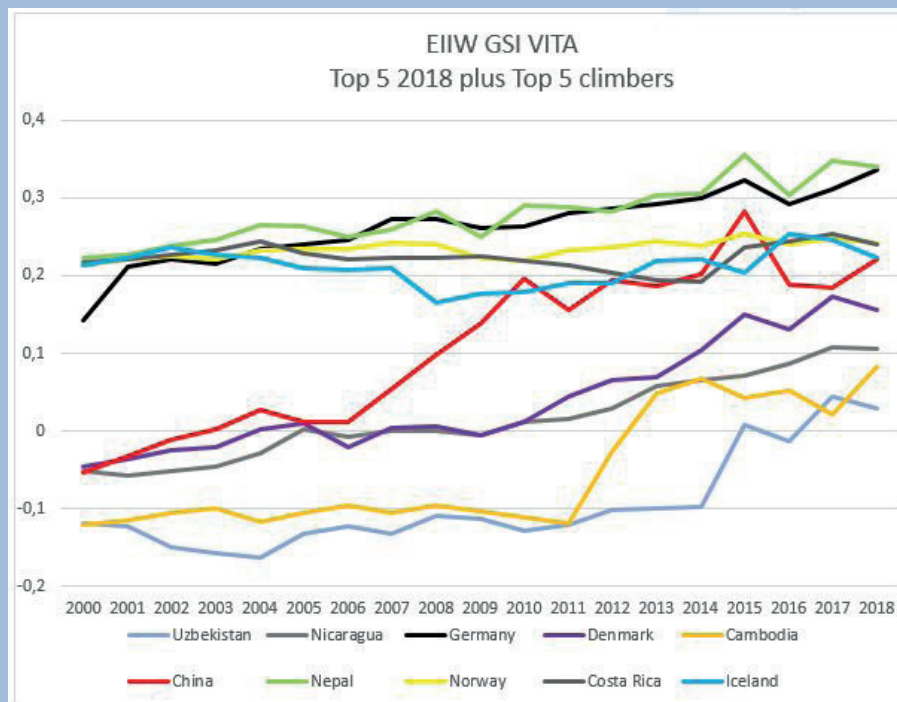
Paul J.J. Welfens (Hrsg.)
**EU-Strukturwandel, Leitmärkte und
Technoglobalisierung**
Berlin: De Gruyter Oldenbourg

Publication in 2020



Paul J.J. Welfens,
**Corona Weltrezession -
Epidemiedruck und globale
Erneuerungs-Perspektiven**
Heidelberg: Springer

EIIW Vita Indicator



Acknowledgement for support

Thanks to the support of the vita Foundation, an update of the Global Sustainability Indicator database has been published - in addition, calculations have been made on the development of product and process

innovations in the environmental sector of the EU economy; new publications on this will appear in 2021.

Looking back at 20 Years EIIW Jubilee Celebrations: 25 of June 2015, Berlin




**Europa im 21. Jahrhundert:
Zukunft der EU-Integration und
Transatlantischer Freihandel**
Euro-Stabilisierung,
TTIP-Handelsliberalisierung, Politikvermittlung

Donnerstag, 25. Juni 2015
Allianz Forum Berlin, Pariser Platz 6

Konferenz unter der Schirmherrschaft von
Frau Dr. Angelica Schwall-Düren,
Ministerin für Bundesangelegenheiten,
Europa und Medien des Landes Nordrhein-Westfalen




ABOUT THE EIIW

For over 25 years, the European Institute for International Economic Relations has stood for award-winning economic research, under the direction of Prof. Dr. Paul JJ Welfens (President), Prof. Dr. Wilfried Fuhrmann (Vice-president), and Dr. Peter Palinkas (Treasurer). The Institute, originally founded at the University of Potsdam, has been located at the University of Wuppertal since April 2003 and is an interface between science, the economy, economic policy and civil society. Milestones in the history of the EIIW include

- Around 40 international workshops on topics such as the digital economy, energy modernization and sustainability, e-health, innovation and structural change, system transformation, EU integration, transatlantic relations and globalization, amongst others.
- Hosting visiting scientists and academics.
- Implementing national and international research projects with renowned cooperation partners: for governments, companies, NGOs and philanthropic foundations worldwide.
- Supporting numerous doctoral projects.
- Participating in a Germany-wide series of information events on the introduction of the euro and EU projects in cooperation with schools/universities.
- Promoting the expansion of the digital economy, supporting the initiative of a national IT summit in Essen 2012, and contributing numerous innovative publications on the
- Supporting scientific and high-profile projects at the Chair of Prof. Welfens; particularly on two DFG-funded projects on China with research in the fields of innovation and sustainability as well as a Bundesbank sponsored project.
- Supporting the expansion of the journal *International Economics and Economic Policy* (Heidelberg, Springer).
- Developing the EIIW's Global Sustainability Indicator.
- Establishing a media presence on economic issues, e.g. in the New York Times, Financial Times, Economist (Japan), NZZ, FAZ, ZEIT, Süddeutsche Zeitung, Rheinische Post, WAZ, WZ, Börsen-Z., CNN, ARD, ZDF, 3Sat, Phoenix, N-TV, WDR.
- Website info on critical issues, including podcast/TV; worldwide publications: Engl/German/Russian/Chin.
- Paul Welfens has given expert testimony at hearings of the US Senate, German Bundestag, European Parliament, IMF and more...
- Paul Welfens is a laureate of the Wolfgang Ritter Foundation Bremen and is the recipient of the Kondratieff Medal.

A Word of Thanks to an Outstanding Team:

■ Amongst the many people who have supported EIIW projects with ideas, exceptional work and inspiring research over the past five years, I should like to mention in particular: Evgeniya Yushkova, Nan Yu, Christina Peussner, Julia Bahlmann as well as Kennet Stave and Marcel Tollmann.

A very special thanks goes to Christina Wiens, who has not only excelled in terms of administrative work in support of the Institute but who has also contributed to the digital content on our website and the design of many newsletters of the EIIW. In recent years, Dr. Samir Kadic has not only successfully completed his own research but has also played a significant role in the overall research agenda and administrative management of the EIIW where he was part of the team which carried out the international BREXIT-related project sponsored by the Deutsche Bundesbank. David Hanrahan has contributed to our English website profile and is also very active in organizing the European Certificate events, including an annual Interdisciplinary Seminar.

As regards the development of the journal *International Economics and Economic Policy* (IEEP) – with ever increasing download and citation figures as well as improved scientific status (Junior ISI in 2019) – big thanks goes to Dr. Vladimir Udalov and Dr. Fabian Baier, who have served as consecutive Editorial Assistants, as well as more recently to Tian Xiong who currently occupies this crucial position. Finally, I am grateful to Dr. Martina Bien and Mrs. Wetzel-Vandai from Springer Publishing (Heidelberg) for so many years of great support and successful cooperation. The longest-staying guest research fellow was Dr. Tony Irawan, from Indonesia, who came to the University of Wuppertal with a DAAD fellowship for a Ph.D. program; during his time in Wuppertal, he published outstanding empirical research including in cooperation with EIIW researchers. The EIIW is an ideal place for young researchers in the field of Economics who are eager to conduct research and in particular are interested in developing contacts to representatives in German or European research institutions/political systems.

UNIVERSITY OF WUPPERTAL
BERGISCHE UNIVERSITÄT WUPPERTAL
EUROPÄISCHE WIRTSCHAFT UND
INTERNATIONALE MAKROÖKONOMIK



Werner Roeger / Paul J. J. Welfens

Foreign Direct Investment and Innovations:
Transmission Dynamics of Persistent Demand and Technology
Shocks in a Macro Model

EIIW Diskussionsbeitrag 300
EIIW Discussion Paper 300



Europäische Wirtschaft und Internationale Wirtschaftsbeziehungen
European Economy and International Economic Relations

ISSN 1439-5445

EIIW Discussion Papers are registered with RePEc-Econ Papers and in ECONIS

To be presented at SNB, Zürich and at the IMF,
Washington D.C.