



UNIVERSITÀ
CATTOLICA
del Sacro Cuore



DEPARTMENT OF ECONOMICS AND FINANCE

Newsletter July-December 2024

FEATURED RESEARCH



Abrardi, L., **Colombo L.**, **Tedeschi, P.** 2024. “Pretending Ignorance is Bliss: Competing Insurers with Heterogeneous Informational Advantages”, *The Review of Financial Studies*, forthcoming.

In recent years, the insurance sector underwent profound changes due to technological innovations reshaping its traditional business model. The growing availability of large datasets, combined with advancements in big data analytics and artificial intelligence, is enhancing the informational advantage of insurance companies. With their expertise and privileged access to data, insurers can assess risk more accurately than policyholders. This raises the question of how competition unfolds in such a setting and what its implications are for market outcomes.

It is well known that in competitive frameworks in which insurers hold perfect and homogeneous information about the policyholder's risk, there emerge efficient outcomes and the absence of profits in equilibrium. However, in reality, insurers' informational advantages are often imperfect and heterogeneous, due for example to the use of different algorithms and data sources, leading to different risk assessments. We investigate the competitive implications of insurers' dispersed information advantages by assuming that each insurer receives a private signal about the policyholder's risk and offers a menu of contracts that may or may not reveal private information, resulting in informative (separating) or non-informative (pooling) equilibria. The interaction between competing and privately informed insurers delivers novel insights on contract design, information disclosure, and market efficiency.

We show that both informative and non-informative equilibria can be profitable for insurers. In informative equilibria, the signaling content of insurers' offers allows the policyholder to infer insurers' information. Hence, when choosing a contract, the policyholder gains market information and is more informed than insurers are when they issue their offers. This signaling problem endogenously generates a screening problem, and the interplay between the two problems

determines novel and non-standard results in terms of equilibrium characterization. Because of the screening problem, informative equilibria are inefficient, as in the traditional Rothschild and Stiglitz's setup. At the same time, because of the signaling problem, strictly positive profits emerge in equilibrium for some (and possibly all) insurers. These results emerge even for negligible amounts of signal imperfection and differ from those obtained when insurers are identically informed, in which case the need to screen the policyholder based on market information is absent and profits can be zero.

We also find that there exist strictly profitable non-informative equilibria in which insurers make identical offers. In contrast to informative equilibria, these equilibria entail risk pooling and may be ex ante fully efficient. This is because the policyholder may reject undercutting deviations, thus hindering competition, when she holds optimistic out-of-equilibrium beliefs about insurers' estimates of risk. The signaling content of deviations sustains non-informative equilibria, exactly as for pooling equilibria in signaling games. Our main insights are robust to changes in insurers' information precision and market concentration, as well as to the presence of two-sided asymmetric information and withdrawable contracts.

Our findings contribute to the debate on the implications of innovative technologies in the insurance industry, showing that improved risk assessment capabilities may not necessarily erode profits or eliminate risk pooling. As insurers continue to refine their analytical models and incorporate new data sources, policymakers and regulators must consider the broader implications of these technological advancements. By highlighting the complex interplay between asymmetric information and competition, our study contributes to a deeper understanding of the evolving insurance landscape in the digital age.

DEPARTMENT EVENTS

FORTHCOMING EVENTS

Tuesday, January 21st, h. 12.00, Room G 241

RICCARDO MASOLO (Università Cattolica del Sacro Cuore)

Macro lunch Seminar

Tuesday, January 28th, h. 12.00, Room G 241

STEFANO FASANI (Lancaster University)

Macro lunch Seminar

Tuesday, January 28th, h. 12.00

ZOHAL HESSAMI (Rurh University)

CIFREL Seminar

Tuesday, February 4th, h. 12.00, Room G 128bis

CATALIN DRAGOMIRESCU-GAINA (Università Cattolica del Sacro Cuore)

Macro lunch Seminar

Friday, February 7th, h. 12.00, Room G 242

ELISA PALAGI (Scuola Superiore Sant'Anna, Pisa)

CLE Seminar

Monday, February 10th, h. 14.00, Room G 115

Workshop Age-It

Thursday, February 13th, h. 12.00, Room G 153

ENLINSON MATTOS (FGV-Sao Paulo School of Economics)

Department Seminar

Thursday, February 20th, h. 12.00, Room G 153

RICCARDO MASOLO (Università Cattolica del Sacro Cuore)

Internal Seminar

Friday, February 21st, h. 12.00, Room G 125

MARCO LE MOGLIE (Università Cattolica del Sacro Cuore)

CLE Seminar

Tuesday, February 25th, h. 12.00

MAX DAHLLBERG (Uppsala University)

CIFREL Seminar

Tuesday, February 25th, h. 12.00, Room G 016

VALERIO DIONISI (Università di Milano-Bicocca)

Macro lunch Seminar

Thursday, February 27th, h. 12.00, Room G 153

PAUL BELLEFLAMME (UC Louvain)

Department Seminar

Tuesday, March 4th, h. 12.00, Room 1 (via Lanzone 29)

PIETRO CORTI (Università Cattolica del Sacro Cuore)

Macro lunch Seminar

From March, 5th to April 16th, h. 17.30, Room G 013

“Raccontare l’economia.

Il pensiero economico nei classici della letteratura occidentale”

Dipartimento di economia e Finanza

Master CDF Filosofia e Management. Competenze filosofiche per le decisioni economiche

Associazione Francesca Duchini Studio del Pensiero Economico

Associazione Kerkis. Teatro antico in scena

Thursday, March 6th, h. 12.00, Room G 153

DANIELE CHECCHI (Università degli Studi di Milano)

Internal Seminar

Tuesday, March 11th, h. 12.00, Room 1 (via Lanzone 29)

MASSIMO FERRARI MINESO (European Central Bank)

Macro lunch Seminar

Thursday, March 13th, h. 12.00, Room G 153

TOMMASO TORNESE (Università Cattolica del Sacro Cuore)

Internal Seminar

Tuesday, March 18th, h. 12.00, Room G 016
GIULIA RIVOLTA (Università degli Studi di Milano)
Macro lunch Seminar

Thursday, March 20th, h. 12.00, Room G 153
ERICH BATTISTIN (University of Maryland)
Department Seminar

Friday, March 21st, h. 12.00, Room G 125
GABRIELE IANNOTTA (Politecnico di Milano)
CLE Seminar

Tuesday, March 25th, h. 12.00, Room ex Conventino
VINCENZO CUCINIELLO (Bank of Italy)
Macro lunch Seminar

Thursday, March 27th, h. 12.00, Room G 153
FANNY LANDAUD (CY Cergy Paris)
Department Seminar

Tuesday, April 1st, h. 12.00
FLAVIANA PALMISANO (Università La Sapienza)
CIFREL Seminar

Tuesday, April 1st, h. 12.00, Room C 115
ALESSIO BARBALONGA (Università Cattolica del Sacro Cuore)
Macro lunch Seminar

Tuesday, April 8th, h. 12.00, Room G 135
ROBERTO BILLI (Riksbank)
Macro lunch Seminar

Tuesday, April 8th, h. 9.00, Room G 142
Giornata di studi in onore di Andrea Boitani

Friday, April 11th, h. 12.00, Room G 241
JESSICA REALE (IUSS Pavia)
CLE Seminar

Tuesday, April 15th, h. 12.00, Room G 151
FEDERICO PUGLISI (Banca d'Italia)
Macro lunch Seminar

Tuesday, April 29th, h. 12.00
ANDREA TULLI (University of Tübingen)
CIFREL Seminar

Wednesday, May 7th, h. 12.00, Room G 016
MERO BENCE (University of Budapest)
CLE Seminar

Thursday, May 8th, h. 12.00, Room G 153

JAKOB SVENSSON (IIES)

Department Seminar

Thursday, May 15th, h. 12.00, Room G 153

RONJA HELÉNSDOTTER (Gothenburg University)

Department Seminar

Tuesday, May 20th, h. 12.00, Room G 141

JOHANNES FISCHER (Bundesbank)

Macro lunch Seminar

Thursday, May 22nd, h. 12.00, Room G 153

MONU PREM (EIEF)

Department Seminar

Friday, May 23rd, h. 12.00, Room G 125

LUCA FONTANELLI (University of Brescia)

CLE Seminar

Monday, May 26th, h. 12.00, Room G 141

IACOPO VAROTTO (Bank of Spain)

Macro lunch Seminar

Tuesday, May 27th, h. 12.00, Room G 153

KURT SCHMIDHEINY (University of Basel)

CIFREL Seminar

Thursday, May 29th, h. 12.00, Room G 153

ANTONIO GUARINO (UCL)

Department Seminar

Thursday, June 5th, h. 12.00, Room G 153

OLMO SILVA (LSE)

Department Seminar

Tuesday, June 10th, h. 12.00, Room G 141

GIUSEPPE BERLINGIERI (ESSEC Business School)

Macro lunch Seminar

Thursday, June 12th, h. 12.00, Room G 153

MARCO OVIDI (Università Cattolica del Sacro Cuore)

Internal Seminar

Tuesday, June 24th, h. 12.00, Room G 141

TATJANA DAHLHAUS (Bank of Canada)

Macro lunch Seminar

Wednesday, June 25th, h. 9.00

3rd Milan PhD Economics Workshop

Tuesday, July 1st, h. 12.00

VERONICA GREMBI (Università La Sapienza)
CIFREL Seminar

PAST EVENTS

Monday, September 16th, h. 12.00, Room G 041

BERNARDO FANFANI (Università di Torino)
“Collective Bargaining and the Italian Wage Structure”
CRILDA Seminar

Tuesday, September 17th, h. 10.00

“Come cambia il lavoro in banca: organizzazione, professioni e tecnologie”
Presentazione Osservatorio Monetario 2/24

Tuesday, September 17th, h. 12.00, Room G 130

MASSIMO FERRARI MINESO (European Central Bank)
“Seizing central bank assets?”
CLE Seminar

Tuesday, September 24th, h. 11.00, Room G 242

MORDECAI KURZ (Stanford University)
“Technology-Based Market Power”
9th CLE Annual Lecture

Tuesday, October 1st, h. 12.00

DANIEL WALDENSTRÖM (IFN Stockholm)
“Wealth and History: a Reappraisal”
CIFREL Seminar

Thursday, October 3rd, h.12.00, Room G 153

EDOUARD CHALLE (PSE)
“Inequality and Optimal Monetary Policy in the Open Economy”
Department Seminar

Thursday, October 10th, h. 12.00, Room G 153

FRANCESCO CINNIRELLA (Bergamo University)
“Books go public: The Consequences of the Expropriation of Monastic Libraries on Innovation”
Department Seminar

Friday, October 11th, h. 12.00, Room G 011

DANIELE CARATELLI (US Treasury)
“Optimal monetary policy under menu costs”
Macro lunch Seminar

Thursday, October 17th, h. 12.00, Room G 153

SAMUEL NOCITO (La Sapienza University)
“Climate Activism Favors Pro-environmental Consumption”
Department Seminar

Friday, October 18th, h. 9.00, Room Negri da Oleggio

AGE-IT @ UniCATT:

Evidence from the First Phase of the Age-it Program

Friday, October 18th, h. 12.00, Room G 141

ANDREA COLCIAGO (Università di Milano-Bicocca)

“Monetary Policy, employment concentration, and unemployment” (co-authored with Guido Ascari and Marco Membretti)

CLE Seminar

Monday, October 21st, h. 12.00, Room C 017

MARIA DE PAOLA (INPS e Università della Calabria)

“Donne e mercato del lavoro”

CRILDA Seminar

Tuesday, October 22nd, h. 12.00, ex Conventino Room

ANDREA RENZETTI (Bocconi University)

“Theory coherent shrinkage of Time-Varying Parameters in VARs”

Macro lunch Seminar

Thursday, October 24th, h. 12.00, Room G 153

FEDERICO FRANZONI (Università Cattolica del Sacro Cuore)

“Fiscal policy and politicians’ term length” (joint work with Davide Cipullo and Jonas Klarin)

Internal Seminar

Monday, October 28th, h. 16.30, Room G 052

Book launch: Raffaele Mattioli. Una biografia intellettuale di Francesca Pino (Il Mulino, Bologna 2023)

Tuesday, October 29th, h. 12.00

FRANCESCO CHIOCCHIO (CEMFI)

“Why not tax it? The effect of property taxes on house price and homeownership”

CIFREL Seminar

Tuesday, November 5th, h. 12.00, ex Conventino Room

JIAMING HUANG (Bocconi University)

“Group Local Projections”

Macro lunch Seminar

Thursday, November 7th, h. 12.00, Room G 153

FRANCK PORTIER (TSE)

“The Dominant Role of Expectations and Broad-Based Supply Shocks in Driving Inflation” (with Paul Beaudry and Chenyu Hou)

Department Seminar

Tuesday, November 12th, h. 12.00, Room C4 (via Necchi 5, ex Conventino)

DOMENICO MASSARO (Università degli Studi di Milano)

“Great Layoff, Great Retirement and Post-Pandemic Inflation”

Macro lunch Seminar

Tuesday, November 12th, h. 17.00, Room OL 101

“La trappola dell’efficienza. Perché la trasformazione del capitalismo è necessaria”

PIER GIORGIO ARDENI E MAURO GALLEGATI

Book launch

Thursday, November 14th, h. 12.00, Room G 153

KENZA BENHIMA (University of Lausanne)

“Granular Expectation Shocks and International Financial Contagion” (with Elio Bolliger and Margaret Davenport)

Department Seminar

Tuesday, November 19th, h. 12.00, Room C 4 (via Necchi 5, ex Conventino)

JENNY CHAN (Bank of England)

“Trade Fragmentation, Inflationary Pressures, and Monetary Policy” (joint work with M. L. Ambrosino and Silvana Tenreyro)

Macro lunch Seminar

Thursday, November 21st, h. 12.00, Room G 153

AMANDA DAHLSTRAND (University of Zurich)

“CEO-Firm Matches and Productivity in 42 Countries” (with Oriana Bandiera, David Laszlo, Andrea Prat, Raffaella Sadun and Helena Schweiger)

Department Seminar

Tuesday, November 28th, h. 12.00, Room G 153

MARCO LE MOGLIE (Università Cattolica del Sacro Cuore)

“Hey! Governor! Leave them Kids Alone: Political Influence during Childhood” (joint work with G. Daniele, S. Galletta and F. Masera)

Macro lunch Seminar

Tuesday, December 3rd, h. 10.00

JOANNA NARITOMI (LSE)

“Greener on the Other Side: Inequity and Tax Compliance”

CIFREL Seminar

Tuesday, December 3rd, h. 14.30, Room C 4 (via Necchi 5, ex Conventino)

MICHELE PIFFER (Bank of England and King’s College)

“Non-Gaussian Business Cycle Analysis”

Macro lunch Seminar

Thursday, December 3rd, h. 12.00, Room G 153

ELIAS PAPAIOANNU (London Business School)

“Uprooted in the Mediterranean” (with Nikos Benos, Stelios Karagiannis, Stelios Michalopoulos, Elie Murad, and Seyhun Orcan Sakalli)

Department Seminar

Thursday, December 5th, h. 12.00, Room G 153

MARCELLA SCRIMITORE (Reggio Calabria University)

“Hiring a manager or not? When asymmetric equilibria arise under outsourcing to a rival” (with L. Fanti, M. Savioli)

Department Seminar

Thursday, December 12th, h. 12.00, Room G 153

GIULIA CAPRINI (Oxford University)

“Strategic Storytelling”

Department Seminar

Friday, December 13th, h. 12.00, Room G 122

ALDO GLIELMO (Bank of Italy)

“Machine Learning for Economic ABMs: From Fast Calibration to AI-Agents”

CLE Seminar

Tuesday, December 17th, h. 12.00

PIERA BELLO (Università di Bergamo)

“Measuring Policy Experimentation: A New Approach Using Municipal Budget Data”

CIFREL Seminar

Tuesday, December 17th, h. 12.00, Room G 251

PAOLO GELAIN (Cleveland Fed)

“Oil Price Fluctuations, US Banks, and Macroprudential Policy” (joint work with Marco Lorusso)

Macro lunch Seminar

December 19th-20th, Room G 242

Fourth Winter Symposium in Economics and Finance

For more details and updates check the Seminars Webpage at:

<https://dipartimenti.unicatt.it/economia-finanza-seminari-seminari-di-dipartimento>

WORKING PAPERS

N. 133 - “Monetary policy and inequality: an heterogeneous agents’ approach” - **Andrea Boitani, Lorenzo Di Domenico** and Giorgio Ricchiuti (September 2024).

N. 134 - “Understanding productivity in maternity wards” - Marina Di Giacomo, Massimiliano Piacenza, **Luca Salmasi** and **Gilberto Turati** (October 2024).

N. 135 - “How Food Prices Shape Inflation Expectations and the Monetary Policy Response” - Dario Bonciani, **Riccardo M. Masolo** and Silvia Sarpietro (October 2024).

N. 136 - “Informing Risky Migration: Evidence from a field experiment in Guinea” - Giacomo Battiston, **Lucia Corno** and Eliana La Ferrara (December 2024).

N. 137 - “Monetary Policy Rules: the Market's View” - Federico Di Pace, Giacomo Mangiante and **Riccardo M. Masolo** (December 2024).

RECENT PUBLICATIONS

Balduzzi, P. 2024. “Le conseguenze economiche delle elezioni europee”, *Osservatorio Monetario*, 3: 3-17.

Boitani, A., and A. Pezzoli. 2024. “Antitrust e disuguaglianze. Replica ai commenti”, *Mercato concorrenza regole*, XXVI, n. 1-2, aprile-agosto: 257-268.

Boitani, A. 2024. “Tasso di sconto sociale e cambiamento climatico”, *Dizionario di dottrina sociale della Chiesa. Le cose nuove del XXI secolo*, 3: 62-71.

Abrardi, L., **L. Colombo**, and **P. Tedeschi**. 2024. “Pretending Ignorance Is Bliss: Competing Insurers with Heterogeneous Informational Advantages”, *The Review of Financial Studies*, forthcoming.

Monti, P., **L. Corno**, and M. Braga. 2024. “Homelessness. Data, Prevalence and Features”, *Bocconi University Press*.

Dragomirescu-Gaina, C., **A. Monticini**, and F. Salsano. 2024. “Media news and market expectations: Insights into the ECB's new data-dependent policy regime”, *Economics Letters*, 244, 111987.

Grillo, M. 2024. “Concorrenza e prezzo equo: una prospettiva di analisi economica”, in Cent’anni di dialogo – La Facoltà di Giurisprudenza dell’Università Cattolica, 1924-2024, Vita e Pensiero, Ricerche di diritto, pp. 225-238.

Gusella, F., and G. Ricchiuti. 2024. “Endogenous cycles in heterogeneous agent models: a state-space approach”, *Journal of Evolutionary Economics*, 34: 739–782.

Lucifora, C., I. Torrini, and A. Russo. 2025. “Age, morbidity, and time to death: end-of-life expenditures on health care for the young-old population”, *The European Journal of Health Economics*, forthcoming.

Martinez, G.L. 2024. “Reservoirs of power: The political legacy of dam construction in Franco’s Spain, Explorations” in *Economic History*, Volume 94.

Asso, P.F., **S. Nerozzi**, and S. Selmi. 2024. *Storia della Cassa di Risparmio di Pistoia e Pescia. Credito, risparmio, territorio (1831-1992)*, Laterza: Roma-Bari, XI-532.

Nerozzi, S. 2024. *Il lavoro nel Codice di Camaldoli. Un fondamento per l’impegno sociale dei cattolici in Italia*, in Tiziano Torresi (ed.), “Il codice di Camaldoli”, Studium: Roma, 241 – 272.

E. Bellino, and **S. Nerozzi**. 2024. “Reply to Parrinello”, *Metroeconomica*, 1: 15-29.

Bizzarri, M., **F. Panebianco**, and P. Pin. 2024. “Homophily and infections: static and dynamic effects”, *Games and Economic Behavior*, forthcoming.

Larsen, R.B., S.H. Ravn, and **E. Santoro**. 2025. “House prices, endogenous productivity, and the effects of government spending shocks”, *European Economic Review*, 172.

Carriero, A., M. Marcellino, and **T. Tornese**. 2024. “Blended identification in structural VARs.”, *Journal of Monetary Economics*, 103581.

Di Giacomo, M., G. Perucca, M. Piacenza, and **G. Turati**. 2024. “Immigrants’ clusters and unequal access to healthcare treatments”, *Regional Science and Urban Economics*, Vol. 109, 104063.

Liu, D., S. Robone, and **G. Turati**. 2024. “The effect of minimum wages on self-reported physical and mental health in China”, *Economic Modelling*, Vol. 141, 106865.

DEPARTMENT NEWS

AWARDS AND APPOINTMENTS

- **Elena Cottini** won, as PI, a VISITINPS scholar B with the project “Availability of tertiary education, individuals’ careers and firms’ performances” with Gloria Moroni (Università di Venezia).

- **Davide Cipullo**, **Catalin Dragomirescu-Gaina**, **Gema Lax Martinez**, and **Enrico Maria Turco** won the 2024 *Pubblicazioni Alta Qualità* Prize awarded by Università Cattolica del Sacro Cuore.

- **Gilberto Turati** won, as PI, a Horizon Europe, 2024, for the research project “Sustainable Wellbeing through Investment in Social Services” (SWINS).

PEOPLE

Welcome to the new researchers joining the Department!

- **Bruna Campisano (Post-Doc Researcher, Facoltà di Economia)**



Bruna Campisano is a postdoctoral researcher in economics at Università Cattolica del Sacro Cuore in Milan. She holds a PhD in Ordine Giuridico ed Economico Europeo from Università Magna Græcia di Catanzaro, where her dissertation examined the impact of the COVID-19 pandemic on gender wage gaps and gender disparities in education. She has been a visiting researcher at Lancaster University. Her research interests include applied economics, labor economics, and the economics of education. Currently, she is working on cognitive biases in self-assessment and peer evaluation within an effort-based task as part of a broader joint project exploring the manipulation and transmission of information, analyzing how individuals consume and share information in economic interactions from both a theoretical and experimental perspective.

- **Arturo Manuel Giudice (Post-Doc Researcher, Facoltà di Economia)**



Arturo Manuel Giudice is a Research Fellow at the Department of Economics and Finance at the Catholic University of the Sacred Heart, specializing in Public Economics (SECS-P/03). He holds a MSc in Economics from the same university, where he completed a dissertation in Political and Public Economics. During his MSc, he worked as a Research Assistant in Labor and Crime Economics. In addition to his research, Arturo has worked as an Economic Analyst in Ghana for the Italian NGO VIS. He also serves as a Tutor for Economics students and as Deputy Director at Collegio Ludovicianum

- **Tommaso Tornese (Assistant Professor, Facoltà di Scienze Bancarie, finanziarie e assicurative)**



Tommaso Tornese joined the Department of Economics and Finance as an Assistant Professor in November 2024. Before joining the Department, Tommaso was a postdoctoral fellow at the Economics Department of Bocconi University. He obtained a PhD in Economics from Queen Mary University of London in 2023. His research interests are in Bayesian econometrics, time series analysis and empirical macroeconomics.

LEAVING

A few people left the Department. We thank them for all the work they have done and wish them all the best for their future careers.

- Lorenzo Di Domenico (Post-doc Researcher), is now RTT at Università degli Studi di Trieste (lorenzo.didomenico@deams.units.it).
- Francesco Nicolini (Post-Doc Researcher), is now Post-Doctoral Fellow at Free University of Bozen-Bolzano (francesco.nicolini@unibz.it).
- Francesca Parodi (Assistant Professor), is now RTT at Università degli Studi di Milano (francesca.parodi@unimi.it).
- Luca Stella (Assistant Professor), is now Associate Professor at Università degli Studi di Milano (luca.stella@unimi.it).

*Contacts: Department of Economics and Finance
phone: +39.02-7234.2976 e-mail: dip.economiaefinanza@unicatt.it*