

## Preface

### "Angelo Costa" Economics Undergraduate Theses Award

*The Rivista di Politica Economica this year announced the first 'Angelo Costa' award for an undergraduate thesis by an Italian economics student. The award consists in the publication of the five best papers extracted from undergraduate theses. Both the Italian and English edition of this December issue of the Rivista therefore publish the six papers (the first four plus the two papers which shared fifth place) which won the 1997 award.*

*This first 'Angelo Costa' award enjoyed a healthy response as regards both the number of papers submitted and their quality, commended in the first phase of selection by the Italian referees and in the final phase by the members of the International Scientific Committee.*

*The 'Angelo Costa' award aims to draw attention to Italy's most promising scientific potential, rewarding it with the publication of the work with a view to encouraging the continuance of studies, by improving the possibility of admission to subsequent Master and/or Ph.D. programs. We also hope that the publication of these papers will bring them to the attention of a wider public, thus avoiding, as is often the case, the works remaining mere manuscripts with a limited and casual circulation.*

*The award is named in memory of Angelo Costa, the first president of Confindustria in the immediate post-war. He was in fact elected president in 1945 and guided the organisation throughout the reconstruction period until 1955. He was again elected to chair the board of Confindustria from 1966 to 1970. A free-market advocate, on several occasions Costa firmly opposed the constraints imposed by statism and stressed the key role played by small and medium-sized enterprises in Italy's economic and industrial growth.*

*Thirty nine graduates from nineteen universities submitted papers for this first award: eleven from Rome's La Sapienza University, six from Milan's Bocconi University, three from Venice's Ca' Foscari University, two from Naples University and two from Rome's Tor Vergata University and one from each of the following universities: Ancona, Bari, Brescia, Bologna, Cagliari, Cattolica (Milan), Genoa, LUISS (Rome), Macerata, Parma, Pisa, Siena and Urbino.*

*Each paper was submitted — as envisaged in the first phase of the competition — in anonymous form to one of the following Italian referees:*

*Gilberto Antonelli, Mario Arcelli, Emilio Barone, Giorgio Basevi, Andrea Beltratti, Giuseppe Bertola, Pasquale Bianchi, Francesco Carlucci, Carlo Carraro, Fabio Canova, Giancarlo Corsetti, Claudio De Vincenti, Giovanni Dosi, Giancarlo Gandolfo, Alberto Giovannini, Michele Grillo, Carlo Maria Guerri, Paolo Guerrieri Paleotti, Martino Lo Cascio, Donato Masciandro, Stefano Micossi, Aldo Montesano, Mario Nuti, Fabrizio Onida, Fiorella Padoa-Schioppa Kostoris, Fabio Panetta, Lorenzo Pecchi, Alberto Pera, Roberto Perotti, Alberto Quadrio Curzio, Pietro Reichlin, Nicola Rossi, Riccardo Rovelli and Giovanni Zanetti.*

*On the basis of these referees' judgements the first 16 papers were selected which were (in alphabetical order):*

*Gianluca Baldassarre, La Sapienza University — Rome, Neural Networks and Genetic Algorithms for the Simulation Models of Bounded Rationality Theory: an Application to Oligopolistic Markets;*

*Davide Castellani, Urbino University, FDI and Inter-firm Agreements. The Role of Subsidiaries as Bridge-heads for Co-operation;*

*Dante Cesaro, Naples University, Contract, Authority and Reputation in the Theory of the Firm's Organisation;*

*Mario Covato, Bocconi University — Milan, The Convergence towards European Monetary Union in a Stochastic Model of Equilibrium;*

*Stefano D'Ambrosio, Bocconi University — Milan, Simulation of Real Business Cycle Models: A Comparison between Different Resolution Methods;*

*Giovanni Di Bartolomeo, La Sapienza University — Rome, Central Bank Independence in a Unionised Economy;*

*Riccardo Ercoli, Tor Vergata University — Rome, Theory of Capital Structure and Market Expectations;*

*Paola Feller, Bocconi University — Milan, Not all Currency Crises are Alike: A Comparison of Four Empirical Cases;*

*Luca Flabbi, Bocconi University — Milan, Gender Discrimination and Return to Schooling: Estimations on Individual Data;*

*Andrea Foresti, Brescia University, Residual and Analytical Research Methods for the Appraisal of Regionalism;*

*Anna Fruttero, Bocconi University — Milan, Mexican Crisis 1994: Devaluation Expectations and Fundamentals;*

*Anita Guelfi, LUISS University — Rome, Profit Sharing and Employment: the Logical Consistency of Weitzman's Model;*

*Paola Rampone, Pavia University, Stochastic Control and Firm's Financing and Investment Decisione;*

*Antonella Terracino, Ca' Foscari University — Venice, Self-Organising Feature Map (SOFM) and Learning Vector Quantization (LVQ): Neural Application to Predict Business Failurn;*

*Michele Trova, Ca' Foscari University — Venice, Mark-Dollar Exchange Rates and a Time-varying Parameter Econometric Model;*

*Roberto Veneziani, Siena University, Equity in the Distribution of Resources Between Generations.*

*Each of these papers was then submitted, again in anonymous form, to three different members of the International Scientific Committee which consisted of:*

*Andrea Boltho (Oxford University)*

*Peter Diamond (Massachusetts Institute of Technology), Cambridge (Mass.)*

*Phoebus Dhrymes (Columbia University), New York*

*Jean-Paul Fitoussi (Observatoire François des Conjonctures Economiques), Paris*

*Duncan Foley (Barnard College), New York*

*Heinz Kurz (University of Graz)*

*Axel Leijonhufvud (University of California in Los Angeles)*

*Andreu Mas-Colell (Universitat Pompeu Fabra), Barcelona*

*Robert Mundell (Columbia University), New York*

*Edmund S. Phelps (Columbia University), New York*

*Bertrand Schefold (J.W. Goethe Universität), Frankfurt am Main.*

*Robert M. Solow (Massachusetts Institute of Technology), Cambridge (Mass.)*

*James Tobin (Yale University), New York*

*The list of winners was obtained from the referee's judgements and, as mentioned above, it was decided that two papers should share fifth place. Hence this issue publishes the six papers which won the award, namely:*

*Anita Guelfi, LUISS University — Rome, Profit Sharing and Employment: the Logical Consistency of Weitzman's Model;*

*Paola Rampone, Pavia University, Stochastic Control and Firm's Financing and Investment Decisions;*

*Michele Trova, Ca' Foscari University — Venice, Mark-Dollar Exchange Rates and a Time-varying Parameter Econometric Model;*

*Gianluca Baldassarre, La Sapienza University — Rome, Neural Networks and Genetic Algorithms for the Simulation Models of Bounded Rationality Theory: an Application to Oligopolistic Markets;*

*Stefano D'Ambrosio, Bocconi University — Milan, Simulation of Real Business Cycle Models: A Comparison between Different Resolution Methods;*

*Luca Flabbi, Bocconi University — Milan, Gender Discrimination and Return to Schooling: Estimations on Individual Data.*

*Our initiative has received a widespread and appreciative welcome in Italian and foreign academic circles and we would like to thank all those who helped spread news of the award. A special thanks for their personal direct and considerable commitment goes to the Italian referees and the members of the International Scientific Committee. The latter's judgements on the award and the high quality of the candidates has encouraged us and gives us grounds for hoping that this initiative of ours will grow with time, without hiding our ambition that it will become a prestigious award which will help foster the preparation and growth of young Italian economists by making them known to a broader public.*

*Our guidelines for this award can be summed up by two terms: merit and competition. We believe these two characteristics have been and can be in the future assured by the rigour and transparency of the selection procedures adopted.*

*This issue of the Rivista di Politica Economica also publishes profiles of the six winners and the notice of the 1998 Angelo Costa Award.*

*We would take this opportunity to congratulate our young colleagues and wish them every success in their future studies or professional activities.*

THE EDITOR

PROF. MARIO BALDASSARRI