

## **GIOVANNA MARCOLONGO**

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### **EDUCATION**

Ph.D., Economics, Boston University, Boston MA, May 2020 (expected)

Dissertation Title: *Essays on Political Economy*

Dissertation Committee: Raymond Fisman (co-chair), Dilip Mookherjee (co-chair), Pascual Restrepo

M.S., Economic and Social Sciences, Bocconi University, Italy, 2011 *Summa Cum Laude*

Visiting Student, Victoria University of Wellington, New Zealand, Fall 2010

B.A., Economic and Social Sciences, Bocconi University, Italy, 2008 *Summa Cum Laude*

Visiting Student, University of California, Berkeley CA, Spring 2008

### **FIELDS OF INTEREST**

Political Economy, Development Economics

### **WORKING PAPERS**

"Organized Crime, Earthquakes and Local Public Procurement: Evidence from Italy," (Job Market Paper) October 2020.

### **WORK IN PROGRESS**

"Natural Resources, Corrupt Intermediaries, Hidden Wealth"

"A theoretical analysis of Political Brokers and Clientelism"

"Privatizing Innovation: Patent Activity in Italy when privatizing State Owned Enterprises" (with Sabrina Di Addario and Andrea Passalacqua)

### **PRESENTATIONS**

SSDEV, Italian Development Economist Associations, Prato, Italy 2018

SSDEV, Italian Development Economist Associations, Prato, Italy 2017

### **FELLOWSHIPS AND AWARDS**

Early Stage Urban Research Award, Initiative on Cities, Boston University, Spring 2018

Lab for Economic Application Policy, Harvard University (with A. Passalacqua), Spring 2017

Deans Fellowship, Boston University, Fall 2014, Spring 2015

### **WORK EXPERIENCE**

Research Assistant for Prof. P. Restrepo, Boston University Fall 2017 - Spring 2019

Research Assistant for Profs. C. Frydman and C. Olivetti, Boston University Summer 2015

Junior Economist, Bank of Italy, Regional Research Unit, Rome, Italy May 2012 - August 2017

*On leave since September 2014*

Research Assistant, Statistics New Zealand, Currency Price Unity, Wellington, NZ Summer 2015

**TEACHING EXPERIENCE**

Teaching Fellow, Introductory Macroeconomics, Department of Economics, Boston University  
Fall 2015-2016, Spring 2016-2017

**LANGUAGES**

English (fluent), Italian (native), Spanish (intermediate)

**COMPUTER SKILLS**

Stata, ArcGIS, LaTeX

**CITIZENSHIP/VISA STATUS**

Italian/F1

**REFERENCES**

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(co-chair)

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## GIOVANNA MARCOLONGO

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### **Organized Crime, Earthquakes and Local Public Procurement: Evidence from Italy** (Job Market Paper)

I document mafia firms' participation to public procurement contracts awarded in the aftermath of natural disasters. I focus on Italian municipalities hit by earthquakes between 2007 and 2017. I exploit quasi-random assignment to the emergency status to show that criminal firms: increase their participation to public procurement auctions in hit municipalities and that this phenomenon grows over time. Using data on contracts characteristics and awarding procedures I provide two pieces of evidence against the "active corruption" hypothesis: first, criminal firms target auctions where the administrations' discretion is minimized, second, municipalities themselves do not change their awarding behavior during the same period. My findings fit a model in which the emergency leads to a *temporary* increase in monitoring efforts by the Antimafia Authority and a *permanent* positive shock to the coffers of hit municipalities via reconstruction funds. Criminal firms are therefore discouraged to penetrate the public procurement auctions in the immediate aftermath of the earthquake but not so once the emergency is over. The analysis calls for a reconsideration of the impacts of natural disasters: these are not limited to the human and reconstruction costs but they extend to the penetration of criminal firms into the real economy.

### **Natural Resources, Corrupt Intermediaries, Hidden Wealth**

I exploit leak information on the beneficiaries of secret offshore entities to answer the question: "Do windfalls generated from natural resources cause corruption?" and to shed light on the role of legal intermediaries in tax havens as facilitators of murky deals. I exploit exogenous and country-specific price shocks to show that countries with limited political accountability increase incorporation of offshore entities when affected by a positive shock to the profitability of their natural resources. The results are robust to the exclusion of commodities in which countries are the major world exporters. The evidence provides a statistical base to the already large body of journalistic investigations and judicial cases on rent embezzlement by Governments' elites in countries with large natural resources endowments.

### **A theoretical analysis of Political Brokers and Clientelism**

I propose a model of clientelism to give a theoretical basis to the role of brokers in the process of vote-buying. Citizens face a contingent need for a private good whose provision is part of the Government's responsibilities and whose supply is limited. The realization of the state of the world from which the contingent need is determined occurs after the election and is observable to the broker but not to the Government. Before the election parties hire the broker to maximize their vote share. The broker, in turn, proposes a deal to the voters: he insures them over the risk of not receiving the good when they will need it the most as long as they now vote for his principal. Citizens, on their hand, follow the broker's suggestion and vote accordingly as this increases their chances to receive the private good when in need. Clientelism may cause underprovision of public goods while potentially correcting mistargeting in the allocation of private goods.