

# INTERNATIONAL CONFERENCE ON INFRASTRUCTURE ECONOMICS AND DEVELOPMENT

organized by the World Bank, Agence Française de Développement, the Public Private Infrastructure Advisory Facility and the Institut d'Économie Industrielle

**TOULOUSE, FRANCE, JANUARY 14-15, 2010**

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The World Bank's Development Economics Vice Presidency (DEC) and Sustainable Development Network (SDN) and Toulouse University's Institut d'Économie Industrielle (IDEI) are organizing—jointly with the Agence Française de Développement (AFD) and the Public Private Infrastructure Advisory Facility (PPIAF)—the first annual International Conference on Infrastructure Economics and Development to stimulate economic research on infrastructure in developing countries. This conference aims at gathering the best researchers in the field, both from the academic world and from more policy-oriented backgrounds, to take stock of recent advances and research challenges, and exchange ideas and insights in a two-day conference organized in Toulouse.

## **Conference Venue and Arrangements**

The conference will be held on **January 14-15, 2010 at the Atria-Mercure Conference Center, 8, Esplanade Compans Caffarelli, Boulevard Lascrosses, 31901 Toulouse, France**. Many participants will also be staying in the hotel attached to the conference center. There is a subway Station 10 meters from the entrance of the hotel and a shuttle service to Blagnac Airport. Several other accommodations are also available in the direct vicinity of the conference center. Lunch and coffee/tea will be served on both days.

For information, please contact Jean-Jacques Dethier ([jdethier@worldbank.org](mailto:jdethier@worldbank.org)) or Stéphane Straub ([stephane.straub@univ-tlse1.fr](mailto:stephane.straub@univ-tlse1.fr)). To register for the conference and make hotel reservations, please contact Florence Chauvet ([chauvet@cict.fr](mailto:chauvet@cict.fr))

## **Conference Structure**

The conference will consist of 18 sessions. During each session, each presenter will have 20 minutes, followed by 5 minutes for the discussant and 5 min of Q&A. There will also be two panel discussions of policymakers and experts and a presentation on climate change.

Keynote speeches will be given by Jean Tirole (Toulouse School of Economics) and Eduardo Engel (Yale University).

Coffee/tea and lunch will be served both days. Cocktails and dinner will be served on the evening of the 14th in the Hôtel d'Assézat, a magnificent Renaissance building located in downtown Toulouse—preceded, for those who wish, by a special visit of the museum of the Fondation Bemberg <http://www.fondation-bemberg.fr>

## Programme

PLEASE NOTE THAT LAST MINUTE CHANGES TO THE PROGRAM ARE POSSIBLE

**Thursday January 14, 2009**

**8:30 am**                      **Keynote Presentation**

Professor Jean Tirole,  
“Climate Change Policy: A New International Architecture”

**9:15 am**                      **Plenary Session - The Economics of Climate Change**

Marianne Fay (World Bank) — Development and Climate Change

Franck Lecocq (INRA and Agro Paris) — Climate change and the  
economics of targeted mitigation in infrastructure sectors

**10:15 - 10:45**                **Coffee Break**

**10:45 – 12:15**              **Parallel Sessions**

Session 1 (3 papers) - Regulation 1

Session 2 (3 papers) - The State of Infrastructure in Africa

Session 3 (3 papers) - Economic Geography 1

**12:15 - 1:30**                **Lunch Break**

**1:30 – 3:00**                **Parallel Sessions II**

Session 4 (3 papers) - Public-Private Partnerships 1

Session 5 (3 papers) - Impact Evaluation of Infrastructure - Roads

Session 6 (3 papers) - Economic Geography 2

**3:00 – 3:30**                **Coffee Break**

**3:30 – 5:00**                **Parallel Sessions III**

Session 7 (3 papers) - Regulation 2

Session 8 (3 papers) - Impact Evaluation of Infrastructure - Water

Session 9 (3 papers) - Political Economy

**4:30 – 6:00**                **Panel discussion organized by AFD - The changing climate of economics.  
Integrating environmental issues in development economics: some  
issues raised by practitioners**

Moderator TBD

Introductory words Alexis Bonnel, AFD

Putting a price on natural capital: a case study from Mozambique - Vasco Nhabinde, Economics Center of the Eduardo Mondlane University, Maputo, and Eric Mungatana - Centre for Environmental Economics and Policy in Africa, University of Pretoria

Modelling complexity : spatial planning, urban development and climate change – Jean-Yves Grosclaude, AFD

Dealing with risk and uncertainty : assessing energy vulnerability under a changing climate – H  l  ne Connor, Helio International

How to discount the future and define priorities ? : experience from the Africa Infrastructure Country Diagnosis – Cecilia Brice  o-Garmendia, World Bank

**7:00 H  tel d’Ass  zat. Fondation Bemberg Museum Visit (optional)**

**8:00 H  tel d’Ass  zat. Cocktails and Dinner**

### **Friday January 14, 2009**

**9:00 – 9:45 Keynote Presentation**

Professor Eduardo Engel, Yale University  
"PPPs and the Heavy Burden of Renegotiations: New Developments".

**9:45 – 11:15 Parallel Sessions IV**

Session 10 (3 papers) - Industrial Organization Issues  
Session 11 (3 papers) - Impact Evaluation - Irrigation and Water  
Session 12 (3 papers) - Telecommunications

**11:15 - 11:30 Coffee Break**

**11:30 – 13:00 Parallel Sessions V**

Session 13 (3 papers) - Water & Telecom  
Session 14 (3 papers) - Impact Evaluation - Electricity  
Session 15 (3 papers) - Transport

**1:00 - 2:30 Lunch Break**

**2:30 – 4:00**

**Parallel Sessions VI**

Session 16 (3 papers) - Infrastructure, Finance and Growth

Session 17 (3 papers) - Electricity and Firms

Session 18 (3 papers) - Public-Private Partnerships 2

**4:00 – 4:30**

**Coffee Break**

**4:30 – 6:00**

**Panel Discussion on Infrastructure and the Financial Crisis**

— **organized by World Bank and PPIAF**

Makhtar Diop, Director, World Bank — Moderator

Timo Välilä, European Investment Bank

Sanghoon Ahn, Head, Policy and Research Division, Korea Development  
Institute ([www.pimac.org](http://www.pimac.org))

José Luis Guasch, Senior Adviser, Sustainable Development, World Bank

**6:30**

**conference ends**

## **LIST OF SESSIONS AND PAPERS**

### **Regulation 1**

**Bruno Jullien** (Toulouse School of Economics), Jerome Pouyet (Paris School of Economics) and Wilfried Sand-Zantman (Toulouse School of Economics) — Public and private investments in regulated network industries: Coordination and competition issues  
Discussant: Elisabetta Iossa (Brunel University)

**Ioannis Kessides** (World Bank), Roger Noll (Stanford University) and Nancy Benjamin (World Bank) — Regionalizing Infrastructure Reform in Developing Countries  
Discussant: Claude Crampes (University of Toulouse)

**Liam Wren-Lewis** (Oxford University) — Commitment in utility regulation: A model of reputation with changing types and policy applications  
Discussant: Stéphane Saussier (University of Paris 1)

### **Regulation 2**

**Luis Andrès** (World Bank), José Luis Guasch (World Bank) and Sebastián Lopez Azumendi (World Bank) — Regulatory governance for electricity distribution in Latin America  
Discussant: Carl Bernadac (AFD)

**David Martimort** (Toulouse School of Economics) and Thierry Verdier (Paris School of Economics) — International Trade with Domestic Regulation under Asymmetric Information: A Simple General Equilibrium Approach  
Discussant: Omar Chisari (Universidad Argentina de la Empresa)

**Jon Stern** (City University of London) — The relationship between regulation and contracts in infrastructure industries  
Discussant: Ioannis Kessides (World Bank)

### **Public-Private Partnerships 1**

**Patrick Rey** (Toulouse School of Economics) and Elisabetta Iossa (Brunel University) — Building reputation for contract renewal: Implications for performance dynamics and contract duration  
Discussant: Yossi Spiegel (Tel Aviv University)

**Daniel Benitez** (World Bank) — Bundling tasks and contracts : The case of public-private partnerships  
Discussant: Pierre Picard (CREA, University of Luxembourg, and CORE, Louvain)

**Elisabetta Iossa** (Brunel University) and Giancarlo Spagnolo (Stockholm School of Economics) — Implicit contracts and flexibility in public procurement  
Discussant: Liam Wren-Lewis (University of Oxford)

## **Public-Private Partnerships 2**

Emmanuelle Auriol (Toulouse School of Economics) and **Pierre Picard** (CREA, University of Luxembourg) — A theory of BOT concession contracts

Discussant: Malin Arve (University of Toulouse)

**Vanessa Valéro** (Toulouse School of Economics) — Government opportunism in public-private partnerships

Discussant: Daniel Benitez (World Bank)

**Atsushi Iimi** (World Bank) — Infrastructure procurement and ex post cost adjustments: Evidence from ODA-financed road procurement in Africa

Discussant: **Nicoletta Berardi** (Toulouse School of Economics)

## **Industrial Organization Issues**

**Juan Pablo Rud** (London School of Economics) — Infrastructure regulation and industry equilibrium when firms have an outside option: Evidence from Indian firms

Discussant: Ridwan Rusli (University of Luxembourg)

**Zhigang Li** (University of Hong Kong) and Han Li (Southwestern University of Finance and Economics, Chengdu, China)—Road investment and inventory reduction: Evidence from a large developing country

Discussant: John Wilson (World Bank)

Guido Friebel (Toulouse School of Economics), **Marc Ivaldi** (Toulouse School of Economics) and Jerome Pouyet (Paris School of Economics and Ecole Polytechnique) — Competition and industry structure for international rail transportation

Discussant: Tomas Serebrisky (World Bank)

## **Infrastructure, Finance and Growth**

**Nicoletta Berardi** (Toulouse School of Economics) and Paul Seabright (Toulouse School of Economics and CEPR) — Infrastructure joint ventures in developing countries

Discussant: Francesc Trillas (University Autònoma of Barcelona)

Carlo Cambini (Politecnico di Torino), Laura Rondi (Politecnico di Torino and CERIS-CNR) and **Yossi Spiegel** (Tel Aviv University and CEPR) — Investment and capital structure of partially private regulated firms

Discussant: Bruno Bias (University of Toulouse)

César Calderón (World Bank), **Enrique Moral** (CEMFI) and Luis Servén (World Bank) — Is infrastructure capital productive? A dynamic heterogeneous approach

Discussant: Nicola Limodio (Scuola Superiore Sant'Anna, Pisa)

### **Impact Evaluation of Infrastructure - Water**

Gayatri Koolwal (World Bank) and **Dominique van de Walle** (World Bank) — Access to water, women's work and child outcomes

Discussant: Veronique Thelen (Toulouse School of Economics – Arqade)

Anand Murugesan (University of Maryland), **Tauhidur Rahman** (University of Arizona) and Vikram Dayal (Institute of Economic Growth) — Neighbors Can Make You Sick: Hygiene Behavior and Health in rural Uttarakhand, India

Discussant: Climent Quintana-Domeque (Universitat d'Alacant)

Florencia Devoto (Paris School of Economics), Esther Duflo (MIT), Pascaline Dupas (UCLA), **William Parienté** (UC Louvain) and Vincent Pons (MIT) — Happiness on tap: The Demand for and impact of piped water in urban Morocco

Discussant: Alban Thomas (Toulouse School of Economics)

### **Impact Evaluation of Infrastructure - Roads**

**Martín Valdivia** (Grupo de Análisis para el Desarrollo, Peru) — Contracting the road to development: Early impacts of a rural roads program

Discussant: Dominique Van de Walle (World Bank)

**Elodie Djemai** (Toulouse School of Economics) — How do roads spread AIDS in Africa? A critique of the received policy wisdom

Discussant: Rabia Ali (World Bank)

**Marie Gachassin** (University of Paris I), Boris Najman (University of Paris I) and Gaël Raballand (World Bank) — Roads impact on poverty reduction. A Cameroon case study

Discussant: Tanguy Bernard (AFD)

### **Impact Evaluation of Infrastructure - Irrigation and Water**

Marco Gonzalez-Navarro (UC Berkeley) and **Climent Quintana-Domeque** (Universitat d'Alacant) — Infrastructure and development: Evidence from an infrastructure experiment in Mexico

Discussant: Martin Valdivia (GRADE, Lima)

**Anne Olivier** (Paris School of Economics, and DIAL) — Distributional Incidence of the Water Tariff Subsidies in Casablanca, Morocco

Discussant: David Saal (Aston Business School)

Yasuyuki Sawada (University of Tokyo), Masahiro Shoji (University of Tokyo), Shinya Sugawara (University of Wisconsin-Madison) and **Naoko Shinkai** (Nagoya University) — The role of infrastructure in mitigating poverty dynamics: The case of an irrigation project in Sri Lanka

Discussant: Shashanka Bhide (NCAER, India)

## **Impact Evaluation - Electricity**

**Molly Lipscomb** (University of Colorado, Boulder), **Mushfiq Mobarak** (Yale University) and **Tania Barham** (U. of Colorado, Boulder)—Development effects of electrification: Evidence from the geologic placement of hydropower plants in Brazil

Discussant: **TBD**

**Treena Wu** (Maastricht University), **Lex Borghans** (Maastricht University) and **Arnaud Dupuy** (Maastricht University)—Energy infrastructure and left behind villages in Indonesia: Effects of electric energy on children's educational outcomes

Discussant: Céline Nauges (Toulouse School of Economics)

**Taryn Dinkelman** (Princeton University) — Effects of rural electrification on employment: New evidence from South Africa

Discussant: Pierre Dubois (Toulouse School of Economics)

## **The State of Infrastructure in Africa**

**Vivien Foster** (World Bank) -- Transforming Africa's Infrastructure

Discussant: Emmanuelle Auriol (Toulouse School of Economics, Arqade)

**Sabah Abdullah** (University of Bath) and **Anil Markandya** (Basque Centre for Climate Change, Spain) -- Rural electrification programs in Kenya: Policy conclusion from a valuation study

Discussant: Jörg Peters (RWI Essen)

**Ousmanou Njikam** (University of Yaoundé, Cameroon) — Trade Liberalization, Infrastructure and Industrial Performance in Cameroon

Discussant: Bethuel Kinuthia (Africa Studies Centre, Leiden, the Netherlands)

## **Political Economy**

**Pierre André** (Paris School of Economics) and **Sandrine Mesplé-Soms** (DIAL Paris) — The allocation of public goods and national elections in Ghana

Discussant: Somik Lall (World Bank)

**Anupama Sen** (Cambridge University) and **Tooraj Jamasb** (Cambridge University) — The economic effects of electricity deregulation: An empirical analysis of Indian states

Discussant: Paul Seabright (Toulouse School of Economics)

**Robin Burgess** (London School of Economics), **Remi Jedwab** (Paris School of Economics), **Edward Miguel** (UC Berkeley) and **Ameet Morjaria** (London School of Economics) — Our turn to eat: The political economy of roads in Kenya

Discussant: Réjane Hugounenq (AFD)

## **Transport**

Kazutomo Abe and **John Wilson** (World Bank)—Investing in port infrastructure to lower trade costs in East Asia

Discussant: Njikam Ousmanou (University of Yaoundé II, Cameroon)

**Sandra Sequeira** (Harvard University) and Simeon Djankov (World Bank) — On the waterfront: An empirical study of corruption in ports

Discussant: Pepita Miquel-Florensa (Toulouse School of Economics)

Sergio Perelman (University of Liège) and **Tomas Serebrisky** (World Bank) — Measuring technical efficiency of airports in Latin America

Discussant: Germa Bel (University of Barcelona)

## **Economic Geography 1**

**Céline Ferré** (World Bank) — Is internal migration bad for receiving urban centers? Evidence from Brazil 1995 – 2000

Discussant: Flávia Chein (CEDEPLAR, UFMG, Brazil)

**Stefan Zeugner** (ECARES, Université libre de Bruxelles) — Endogenous transport investment, geography and growth take-offs

Discussant: Ernesto Pasten (Toulouse School of Economics)

**Susan Stone** (OECD), Anna Strutt (Waikato University) and Thomas Hertel (Purdue U) — Assessing the socioeconomic impact of transport infrastructure projects in the Greater Mekong Region

Discussant: Ahmet Faruk Aysan (Bogaziçi Üniversitesi, Istanbul)

## **Economic Geography 2**

Maureen Kilkenny (University Of Nevada, Reno) and **Marie-Françoise Calmette** (Toulouse School of Economics) — The gains from region-wide facilitation of transport

Discussant: Chaudhry Omer (Molde University College, Norway)

**Mark Roberts** (University of Cambridge), **Uwe Deichmann** (World Bank), Bernard Fingleton (University of Strathclyde), Tuo Shi (World Bank) and Andreas Kopp (World Bank) — Regional economic impacts of highway projects

Discussant: Guang Zhe Chen (World Bank)

**Somik Lall** (World Bank), Justin Sandefur (Oxford University) and Hyounghun Wang (World Bank) — Does improving market access help de-industrialize lagging regions? Leaking by linking in Ghana

Discussant: Stefan Zeugner (ECARES, Bruxelles)

## Electricity and Firms

**Carolyn Geginat** (World Bank) and Rita Ramalho (World Bank/IFC) — Connecting businesses to the electrical grid in 140 economies

Discussant: Lika Ba (EHESS, Paris)

**Philippe Alby** (Toulouse School of Economics, Arqade), Jean-Jacques Dethier (World Bank) and Stéphane Straub (Toulouse School of Economics, Arqade) — Firm development under infrastructure and credit constraints : The case of power generators

Discussant: Vivien Foster (World Bank)

**Günther Bensch** (RWI Essen), Jochen Kluge (RWI Essen) and Jörg Peters (RWI Essen) — Impact of Rural Electrification programs: Ex-ante Evidence from Rwanda

Discussant: Farid Gasmi (Toulouse School of Economics - Arqade)

## Water & Telecom

Stefan Klonner (Cornell University and J.W.Goethe Universität) and **Patrick Nolen** (University of Essex) — Does ICT benefit the poor? Evidence from South Africa

Discussant: Paul Nounba Um (World Bank)

David Ehrhardt, **Melissa Rekas** and Kevin Richards (Castalia Advisors) — Investment in Indonesia's Water Sector: Evidence of Financing, Capacity and Governance Effects

Discussant: Edouard Perard (World Bank)

**Francesc Trillas** (Universitat Autònoma de Barcelona) and Miguel Montoya (ITESM, Mexico), Commitment and regulatory independence in practice in Latin American countries

Discussant: Juan Pablo Rud (LSE)

## Telecommunications

**Michal Grajek** (European School of Management and Technology) and Lars-Hendrik Röller — Regulation and Investment in Network Industries: Evidence from European Telecoms

Discussant: David Salant (Toulouse School of Economics)

Sjaak Hurkens (Institute for Economic Analysis and IESE) and **Doh-Shin Jeon** (Toulouse School of Economics) — Mobile Termination and Mobile Penetration

Discussant: Tobias Veith (ZEW Centre for European Economic Research, Mannheim)

**Farid Gasmi** (Toulouse School of Economics), Alexis Maingard (Telecom Paristech), Paul Nounba (World Bank) and Laura Recuero (OECD) — The impact of privatization of fixed-line telecommunications operators on network expansion, tariffs, and efficiency

Discussant: Patrick Nolen (University of Essex)

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