Supervisor Project Idea

Supervisor

Alberto Russo is Professor of Economics at the Department of Economic and Social Sciences, Università Politecnica delle Marche, Ancona (Italy).
Short CV: www.univpm.it/alberto.russo (see section Curriculum - CV)

He has about 70 publications, including more than 40 papers in internationally recognized journals, on the following topics: agent-based macroeconomics; inequality, financial fragility, and crisis; inequality, innovation, and growth; fiscal and monetary policy with heterogeneous interacting agents; adaptive expectations in lab experiments.

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5 significant/recent publications:
1. Coccia S., Russo A. (2025), "Inflation, inequality and financial vulnerability: Monetary vs. fiscal policy in the face of an energy shock", *Energy Economics*, 143, 108222.
2. Fierro L.E., Giri F., Russo A. (2023), "Inequality-constrained monetary policy in a financialized economy", *Journal of Economic Behavior and Organization*, 216, 366-385
3. Botta A., Caverzasi E., Russo A. (2022), "When Complexity Meets Finance: A Contribution to the Study of the Macroeconomic Effects of Complex Financial Systems", *Research Policy*, 52, 103990.
4. Botta A., Caverzasi E., Russo A., Gallegati M., Stiglitz J.E. (2021), "Inequality and Finance in a Rent Economy", *Journal of Economic Behavior and Organization*, 183: 998-1029.
5. Delli Gatti D., Gallegati M., Greenwald B., Russo A., Stiglitz J.E. (2010), "The Financial Accelerator in an Evolving Credit Network", *Journal of Economic Dynamics and Control*, 34(9): 1627-1650.

Recent funded projects as PI:

- "Exploring EXPACE. The Complementarities Between Experimental Economics and Agent-Based Computational Economics", Valencian Community (AICO/2021/005).
- "Inequality, financial fragility and monetary policy in a macro agent-based framework with experimentally tested boundedly rational expectations", Universitat Jaume I (UJI-B2020-16).

Kapp Prize 2020 (ex-aequo) for the best paper awarded by the EAEPE (European Association for Evolutionary Political Economy)

Research Group Description

Provide the name the reference department and a brief description of the research group, including external links, and available instrumentations and infrastructures. max 300 words

The project will be developed at the Department of Economic and Social Sciences (DiSES) of the Università Politecnica delle Marche (UNIVPM).

DiSES has a long tradition in economic analysis, starting from the research group that formed around Giorgio Fuà.

One of the directions of the department has regarded the analysis of the economy as a complex system mainly through the application of agent-based modelling (ABM), under the guidance of Prof. Mauro Gallegati.

The present research is led by one of the members of that group, Prof. Alberto Russo, who is currently supervising three doctoral students at DiSES working on ABM applied to the following topics: inequality and the transmission channels of monetary economics; energy economics; multi-sector dynamics and the inequality-inflation nexus; secular stagnation, demography, and inheritance.

The project idea is related to a research project on how inequality influences monetary policy under financialization, with Federico Giri (Associate Professor at DiSES) and Luca E. Fierro (Post-Doc Fellow at IIASA, Vienna), and may benefit from their collaboration.

An initial version of the project has been developed at Universitat Jaume I, under a financing from the Valencian Community, with which there is an active collaboration, including the Laboratory of Experimental Economics (LEE).

The part of the project on financialization is related to another idea initially developed in a paper with Alberto Botta (Greenwich University, London), Eugenio Caverzasi (University of Insubria), Mauro Gallegati (UNIVPM), and Joseph E. Stiglitz (Columbia University), with whom we will have the opportunity to interact and exchange ideas.

Last but not least, one of the department's strengths is the presence of experts in microeconometrics and computational econometrics, who can support the empirical part of the project, as well as economic historians and sociologists to put the project idea in perspective.

Research thematic area

Indicate the MSCA panel and keywords that better describe your field of competence and research thematic area of your interest for a MSCA PF supervision – you may add extra keywords and text if necessary.

MSCA Panel Chemistry (CHE) - Economic sciences (ECO) - Information Sciences and Engineering (ENG) - Environmental and Geosciences (ENV) - Life Sciences (LS) - Mathematics (MAT) - Physics (PHY) - Social Sciences and Humanities (SOC)	MSCA Keywords MSCA Panels & Keywords.pdf **Link** documento	Free keywords	Free text
Economic sciences (ECO)	Level 1: E1 – Economics Level 2: Macroeconomics	Inequality, finance, agent-based modelling, computer simulation, heterogeneity, monetary and fiscal policy	

Contact details (*including email address of the supervisor*)

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OPTIONAL:
Title and goals
Provide the title of the topic and a short summary if you already have a project idea.
Projects ideas can also be defined and discussed with potential candidates later.
max 200 words

Agent Based Macroeconomics: Inequality, Finance and Policy

The increase in inequality and the expansion of finance are two phenomena that have characterized the evolution of our economies in past decades, particularly from the 1980s on. After the Global Financial Crisis and the COVID pandemic, we are proceeding toward a new "normality", in which huge inequalities and financialization are still pervasive features.

This calls for an appropriate modelling strategy able to consider agent's heterogeneity (i.e., income/wealth distribution, firm/bank size, etc.) and interaction effects (from financial contagion to imitation in consumption patterns). Agent Based Modelling (ABM) is a sound methodology to analyze complex systems as the economy in which macro properties emerge from the interaction among heterogeneous micro-entities. Though relatively new (compared to the neoclassical approach), ABM has been applied in diverse contexts in economics and finance.

Increasing inequality and financial expansion cannot be considered as two separated phenomena but rather as two sides of the same coin, that is the political and economic course started around the 1980s. Within this framework, several issues may be investigated, including the recent surge in inflation after the energy shock, financial securitization, inequality-constrained monetary policy, the co-evolution of economic and political systems, etc.