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Contact Information

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Citizenship	Burkina Faso, Canada permanent resident	
Research and Teaching Interests	Macroeconomics, Growth and Development, International Economics	
Education	Ph.D, Economics, Universit� du Qu�bec � Montr�al, Canada Dissertation: The Role of Financial Development on the Nexus between Capital Flows and Economic Growth Committee: Wilfried Koch (supervisor), Alain Paquet, Alessandro Barattieri, Jean-Fran�ois Rouillard	2020
	M.Sc. Financial Economics, Universit� du Qu�bec � Montr�al, Canada	2013
	M.A. Economics, Universit� Ouaga II, Burkina Faso	2009
	B.A. Economics, Universit� Ouaga II, Burkina Faso	2008
Working Papers	Financial Development and Capital flows: Appraisal of the “Allocation Puzzle” by Schumpeterian Growth, with Wilfried Koch (Job Market Paper)	
	Capital Flows and Economic Growth: The Threshold Effect of the Domestic Financial Market	
	Bilateral Cross-border Banking Flows: The Role of the Financial Market Development of Host and Source Countries (<i>submitted</i>)	
Working in Progress	Determinants of Capital inflows in Developing Countries: New Evidence	
	Remittances, Financial development and growth in developing countries: Theory and evidence	
Teaching and Research Experiences	Research Assistant (for Raquel Fonseca)	2019-2020
	Instructor, ESG-UQAM Microeconomic Analysis, Undergraduate	2015-2017
	Teaching Assistant, ESG-UQAM Financial Econometrics, Graduate	2014-2019

	Introduction to Econometrics, Graduate	2015-2019
	Advanced Microeconomics, PhD	2015
	Econometrics, Graduate	2013
Grants and Awards	Scholarship of Excellence, Hydro-Québec	2019-2020
	Doctoral Scholarship (ESG3), Department of Economics	2014-2017
	Scholarship of Excellence, ESG-UQAM	2013-2014
	DEA-Master Fellowship, Université Ouaga II	2009-2010
Software	MATLAB, Stata, E-views, GAUSS, LaTeX	
Languages	French (native), English (fluent), Moore (native), Dioula (native)	
Affiliation	American Economic Association, French Economic Association	
References	<p>Professor Wilfried Koch Université du Québec à Montréal Montréal (QC), Canada Phone: +1 514 987 3000 ext 2568 E-mail: koch.wilfried@uqam.ca</p> <p>Professor Alessandro Barattieri Université du Québec à Montréal Montréal (QC), Canada Phone: +1 514 987 3000 ext 0850 E-mail: barattieri.alessandro@uqam.ca</p>	<p>Professor Alain Paquet Université du Québec à Montréal Montréal (QC), Canada Phone: +1 514 987 3000 ext 8371 E-mail: paquet.alain@uqam.ca</p>

Abstracts

Financial Development and Capital Flows: Appraisal of the “Allocation Puzzle” by Schumpeterian Growth

(Job Market Paper) with Wilfried Koch (Université du Québec à Montréal)

We explore the role of financial development to explain the negative correlation between capital inflows and productivity catch-up. As observed in the data, countries with higher productivity growth rates export capital while countries with lower productivity growth rates receive positive capital inflows. This is contradictory to the predictions of the standard neoclassical growth model. Gourinchas and Jeanne (2013) called this paradox the “Allocation Puzzle”. Under perfect credit market, our calibrated Schumpeterian growth model also predicts a positive correlation between capital inflows and productivity catch-up. We show that the “Allocation Puzzle” is more prevalent than previously thought. It can be actually generalized to a larger sample by covering more countries and a longer time period. We then introduce credit constraints in a calibrated Schumpeterian growth model to address this paradox. Our main result indicates that, when the level of financial development prevents countries from catching up relative to the world technological frontier, countries import capital to compensate for their insufficient level of domestic savings.

External Capital and Economic Growth in Developing Countries: The Threshold Effect of Financial Development

This study provides evidence supporting the non-linear effect of external capital on economic growth. It analyzes aggregate flows as well as private and public flows separately. Using two econometric methods, there appears to be a threshold of level of financial development beyond which aggregate capital begins to promote economic growth. Otherwise, total capital flows harm economic growth. Distinguishing between the types of flows shows that public flows may be growth detrimental, while private flows are growth-enhancing when the financial market does not reach the threshold. A more in-depth analysis of private flows shows that a well-functioning financial market benefits from FDI and private debt flows. Regarding portfolio equity flows, they promote growth below the estimated threshold and reduce growth otherwise. Hence, this suggests that developing the domestic financial markets may be critical for countries in order to take advantage of FDI and private debt flows, but also to reverse the sign of the correlation linked with public flows.

Bilateral Cross-border Banking Flows: The Role of the Financial Development of Host and Source Countries

This paper analyzes the role of the financial development in both source and host countries on cross-border banking flows. It attempts to fill the gap on the underexplored effect of financial development on capital flows, especially on cross-border banking flows, by providing empirical evidence. Using the Bank for International Settlements (BIS) dyadic banking flows data, I assess the responsiveness of cross-border banks' transactions to differences between the home and foreign financial markets. The study uses instrumental variables to address endogeneity concerns, and suitable fixed effects to identify appropriately the role of financial development. The data are made up of bilateral cross-border transactions between banks located in 24 reporter countries and all sectors (banks and nonbanks) located in 165 counterparty countries. The main finding suggests that bank flows go from well-functioning financial markets to underdeveloped financial markets, only when the transaction is financed by debt security. Otherwise, i.e. when the financing instrument is loan, I show evidence that banks in countries with a developed financial market lend more to non-banks in countries with also well-functioning financial markets. The findings conciliate the ambiguity on the relationship between domestic financial conditions and capital flows in the literature by showing that the relationship may be positive or negative, according to the financing instrument and the borrowing sector. I also find that foreign and domestic financial markets complement each other for cross-border banking flows.