Workshops and Seminars June 02 - 05, 2020

**Tuesday, June 02, 2020**
Micro Theory / CRC TR 224 Seminar  
16:00, via Zoom, details below

**William Fuchs**, Univ. Carlos III, Madrid, and Univ. of Texas, Austin  
“Information Aggregation in Dynamic Markets with Adverse Selection”

**Thursday, June 04, 2020**
IZA Brown Bag Seminar  
14:00, via Zoom, details below

**Marc Witte**, IZA  
“Hiring Cost, Firm Growth, and Inclusive Labour Markets”
Micro Theory / CRC TR 224 Seminar

William Fuchs, Univ. Carlos III, Madrid, and Univ. of Texas, Austin
“Information Aggregation in Dynamic Markets with Adverse Selection”
(with Vladimir Asriyan, Brett Green)

Abstract
How effectively does a decentralized marketplace aggregate information that is dispersed throughout the economy? We study this question in a dynamic setting where sellers have private information that is correlated with an unobservable aggregate state. In any equilibrium, each seller’s trading behavior provides an informative and conditionally independent signal about the aggregate state. We ask whether the state is revealed as the number of informed traders grows large. Surprisingly, the answer is no; we provide conditions under which information aggregation necessarily fails. In another region of the parameter space, aggregating and non-aggregating equilibria coexist. We solve for the optimal information policy of a constrained social planner who observes trading behavior and chooses what information to reveal. We show that non-aggregating equilibria are always constrained inefficient. The optimal information policy Pareto improves upon the laissez-faire outcome by concealing information about trading volume when it is sufficiently high.

Zoom:
https://hu-berlin.zoom.us/j/96392342746?pwd=c00wQzJOcXZxVUtac21YdEdLOHJWUT09
Meeting-ID: 963 9234 2746
Password: 829462

IZA Brown Bag Seminar

Marc Witte, IZA
“Hiring Cost, Firm Growth, and Inclusive Labour Markets”
(with Lukas Hensel, Tsegay Gebrekidan Tekleselassie)

Abstract
Does formalizing firms’ hiring processes lead to firm growth and a more diverse workforce? We conduct a two-pronged randomised control trial that encourages small and medium enterprises (SMEs) in Addis Ababa, Ethiopia, to formalise their hiring decisions. First, we encourage firms to increase their applicant pool by posting formal vacancies, which we subsidize. Second, we reduce firms’ reliance on information about candidates obtained through informal hiring channels (e.g. referrals): we pre-screen applicants with psychometrically validated measures and pass this information on to firms. This setup allows us to test whether i) it is possible to nudge SMEs to use formal channels by improving the screening technology, ii) whether such a change leads to better firm-level outcomes and iii) whether it leads to more diverse hires. In this presentation, we focus on the experimental design, descriptive statistics, and first results.

Link to Zoom Meeting: https://zoom.us/j/945178362
Meeting ID: 945 178 362

Redaktionsschluss / Deadline
BONN ECON NEWS June 08 - 12, 2020
Wednesday, June 03, 2020
12:00

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