

BONN ECON NEWS

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Workshops and Seminars October 26 - 30, 2020

Tuesday, Oct 27, 2020

IZA Research Seminar

15:00 CET, via Zoom, details below

Philipp Kircher, Cornell Univ.

“Directing Search with Cheap Talk: Theory and Evidence”

Finance and Insurance / CRC TR 224 /
ECONtribute Seminar

15:00 CET, via Zoom, details below

Nuri Ersahin, Michigan State Univ.

„Crowded out from the Beginning: Impact of Government Debt on Corporate Financing”

Applied Micro / CRC TR 224 Workshop, in co-
operation with briq

16:00 CET, via Zoom, details below

David Yanagizawa-Drott, Univ. of Zurich

“Misinformation during a Pandemic”

Wednesday, Oct 28, 2020

Macro/Econometrics/Finance Seminar
In co-operation with UCL

12:15, via Zoom, details below

Andreas Tischbirek, HEC Lausanne

“The Transmission of Monetary Policy under the Microscope”

Micro Theory / CRC TR 224 Seminar

16:30 CET, via Zoom, details below

Wolfgang Pesendorfer, Princeton Univ.

“Lindahl Equilibrium as a Collective Choice Rule”

Thursday, Oct 29, 2020

Bonn MacroHistory Seminar

16:00 CET, via Zoom, details below

Melanie Xue, NY Univ. Abu Dhabi

“Folklore”

IZA Research Seminar

Philipp Kircher, Cornell Univ.

“Directing Search with Cheap Talk: Theory and Evidence”

(with John Horten, Ramesh Johari)

Zoom Meeting: <https://us02web.zoom.us/j/87487213161>

Meeting ID: 874 8721 3161

Abstract

We develop a theory of cheap talk in matching markets in which employers can announce their preferences, which workers can use to direct their search. In a large online labor market, employers were given the opportunity to state their relative willingness to pay for productivity. Preferences were elicited for all firms, but preferences were only revealed to job-seekers for treated firms. Job-seekers clearly targeted their applications to employers of the right “type” even when they could not observe preferences. However, revelation of preferences caused substantial additional sorting. This additional sorting strongly affected who was matched to whom, and at what price, implying seekers regarded revealed information as credible ex ante commitments. Overall, the treatment raised the average wage bill and the number of hours worked and likely increased match quality.

Finance and Insurance / CRC TR 224 / ECONtribute Seminar

Nuri Ersahin, Michigan State Univ.

„Crowded out from the Beginning: Impact of Government Debt on Corporate Financing”

Registration by email: financegroup@listen.uni-bonn.de

Abstract

Using hand-collected data on corporate bond and stock offerings, we identify the impact of government debt on corporate financing during World War I. The early twentieth century provides a unique opportunity to identify the impact of government debt on private financing because during this period (1) firms announced the amount they wanted to raise before each security offering and (2) the Treasury issued debt in discrete intervals. We identify the impact of Treasury issues by comparing differences in the amount firms offered to the amount they actually raised when the Treasury was borrowing to when the Treasury was not in the market. We find that long term government bond offerings negatively affect both amount of long-term corporate bonds and dividend paying stocks issued. In contrast, we find no effect of government bond offerings on short term debt issue. Our findings suggest that investors view dividend paying stocks as a close substitute for relatively safe long-term bonds.

Applied Micro / CRC TR 224 Workshop

David Yanagizawa-Drott, Univ. of Zurich

“Misinformation during a Pandemic”

(with Leonardo Bursztyn, Aakaash Rao, Christopher P. Roth)

Zoom URL will be announced via the Applied Micro mailing list

Abstract

Media outlets often present diverging, even conflicting, perspectives on reality—not only informing, but potentially *misinforming* audiences. We study the extent to which misinformation broadcast on mass media at the early stages of the coronavirus pandemic influenced health outcomes. We first document large differences in content between the two most popular cable news shows in the US, both on the same network, and in the adoption of preventative behaviors among viewers of these shows. Through both a selection-on-observables strategy and an instrumental variable approach, we find that areas with greater exposure to the show downplaying the threat of COVID-19 experienced a greater number of cases and deaths. We assess magnitudes through an epidemiological model highlighting the role of externalities and provide evidence that contemporaneous information exposure is a key underlying mechanism.

Macro/Econometrics/Finance Seminar

Andreas Tischbirek, HEC Lausanne

“The Transmission of Monetary Policy under the Microscope”

Registration by email to vpollari@uni-bonn.de

Abstract

We investigate the transmission of monetary policy to household consumption using detailed administrative data on the universe of households in Norway. Based on a novel series of identified monetary policy shocks, we estimate the dynamic responses of consumption, income, and saving along the liquid asset distribution of households. We find that low-liquidity but also high-liquidity households show strong responses, interest rate changes faced by borrowers and savers feed into consumption, and indirect effects of monetary policy outweigh direct effects, albeit with a delay. Overall, the results support the importance of financial frictions, cash-flow channels, and heterogeneous effects of monetary policy.

Micro Theory / CRC TR 224 Seminar

Wolfgang Pesendorfer, Princeton Univ.

"Lindahl Equilibrium as a Collective Choice Rule"

Zoom Link: <https://zoom.us/j/96045476214>

Abstract

A collective choice problem is a finite set of social alternatives and a finite set of economic agents with vNM utility functions. We associate a public goods economy with each collective choice problem and establish the existence and efficiency of (equal income) Lindahl equilibrium allocations. We interpret collective choice problems as cooperative bargaining problems and define a set-valued solution concept, the equitable solution (ES). We provide axioms that characterize ES and show that ES contains the Nash bargaining solution. Our main result shows that the set of ES payoffs is the same as the set of Lindahl equilibrium payoffs. We consider two applications: in the first, we show that in a large class of matching problems without transfers the set of Lindahl equilibrium payoffs is the same as the set of (equal income) Walrasian equilibrium payoffs. In our second application, we show that in any discrete exchange economy without transfers every Walrasian equilibrium payoff is a Lindahl equilibrium payoff of the corresponding collective choice market. Moreover, for any cooperative bargaining problem, it is possible to define a set of commodities so that the resulting economy's utility possibility set is that bargaining problem and the resulting economy's set of Walrasian equilibrium payoffs is the same as the set of Lindahl equilibrium payoffs of the corresponding collective choice market.

Bonn MacroHistory Seminar

Melanie Xue, NY Univ. Abu Dhabi

“Folklore”

(with *Stelios Michalopoulos*)

Zoom Link : <https://uni-bonn.zoom.us/j/97351912721?pwd=Q1dOMmRVakFjZ2lhVkErV3pYdXpqUT09>

Meeting ID : 973 5191 2721

Password : 507800

Abstract

Folklore is the collection of a community's traditional beliefs, customs, and stories, passed down through word of mouth. In this study, we introduce to economics a unique catalogue of oral traditions across approximately 1,000 preindustrial societies. We validate the catalogue's content and show that folklore reflects known geographic and social attributes. We then embark on a series of applications meant to illustrate how to extract information from folklore motifs. In the first set of applications, we illustrate how to fill in gaps and expand upon a group's ethnographic record. Second, we discuss how machine learning

and manual classification methods can help shed light on ancestral norms. We focus on attitudes towards risktaking, altruism, trust, and gender roles. Groups with a larger number of images in their oral tradition that portray men as dominant and women as submissive have a higher degree of gender bias today. Additionally, societies with low tolerance of antisocial behavior in their folktales, represented by tricksters getting punished, are more trusting and prosperous. These patterns hold across ethnic groups, countries, and for second-generation immigrants. Overall, the results highlight the usefulness of folklore for cultural economics and suggest additional applications.

New BGSE Students as of Oct, 2020

Antonia Sarah Maria Antweiler

Paul Behler

Marcel Brambeer

Melina Cosentino

Antonia Entorf

Bilge Erturk

Jörn-Niklas Frerking

Alexandros Gilch

Paul Grass

Oleksii Hamaniuk

Philipp Hamelmann

Sebastian Hildebrand

Marvi Jonas Immesberger

Julius Kappenberg

Marc Lipfert

Tim Mensinger

Timothy Meyer

Lorenzo Ranaldi

Ole Rücker

Philipp Schirmer

Malin Siemers

Fabio Stohler

Mark Toth

Redaktionsschluss / Deadline

BONN ECON NEWS Nov 02 - 06, 2020

WEDNESDAY, OCT 28, 2020

12:00

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