

BONN ECON NEWS

April 8–12, 2024

Overview

People

New at the department

BGSE graduates

Workshops and seminars

Tuesday, April 9, 2024

Macroeconomics and Econometrics, Brownbag Lecture

Joseph Schroth (Bank of Canada)

“Monetary policy, bank regulation and banks’ supply of liquidity services”

BGSE Applied Microeconomics Workshop

Martina Uccioli (IZA)

“What Works for Working Couples? Work Arrangements, Maternal Labor Supply, and the (Lack of) Sharing of Home Production”

Bonn Applied Microeconomics Seminar (CRC TR 224 Seminar)

Cameron Peng (London School of Economics and Political Science)

“Investor Memory and Biased Beliefs: Evidence from the Field”

Wednesday, April 10, 2024

BGSE Micro Workshop

Daniel Krähmer (University of Bonn)

“Screening with flexible investments”

MEF/ECONtribute Seminar (Macro/Econometrics/Finance)

Christopher Busch (Ludwig-Maximilians-Universität München)

“Stage-Based Identification of Policy Effects”

Finance/CRC Seminar starts on April 17, 2024

Micro Theory Seminar

Joel Watson (UC San Diego)

“TBA”

Thursday, April 11, 2024

Econometrics & Statistics starts on April 18, 2024

People

New at the department

Susanne Gabler

Position: Supervision & Information: Staatswissenschaftliches Seminar

Frederike Kelzenberg

Position: Supervision & Information: Staatswissenschaftliches Seminar

Kim Martina Schneider

Position: Office Institute for Macroeconomics and Econometrics

Manisha Sindezingue

Position: Office Bonn Graduate School of Economics

BGSE graduates

Melina Cosentino

Dissertation: [Essays in Applied Microeconomic Theory](#)

Workshops and seminars

Tuesday, April 9, 2024

Macroeconomics and Econometrics, Brownbag Lecture

Joseph Schroth
(Bank of Canada)

"Monetary policy, bank regulation and banks' supply of liquidity services"

Time

12:15–13:15 CET

Location

Kaiserplatz 7-9, seminar room 4.006

Abstract

Monetary and macroprudential policy makers trade off financial stability and economic efficiency. This paper builds a model in which banks supply liquidity services through deposits and use them to fund loans and safe bond holdings. Expansive monetary policy can increase loan repayments but also provides liquidity to non-banks, which shifts deposit demand downward and lowers the liquidity premium of deposits. Optimally coordinated policies reveal two key complementarities over financial cycles. First, during normal times additional risk-weight add-ons for bonds are complementary to additional capital buffers. Second, during crisis times relative monetary policy tightening is complementary to releasing capital buffers.

Martina Uccioli
(IZA)

“What Works for Working Couples? Work Arrangements,
Maternal Labor Supply, and the (Lack of) Sharing of Home
Production”

Coauthor

Ludovica Ciasullo

Time

13:00–14:00 CET

Location

IZA, Conference Room, Schaumburg-Lippe-
Straße 9

Abstract

Do work arrangements matter for the child penalty? Does an increase in maternal labor supply lead to a more equal division of home production between mothers and fathers? The Australian 2009 Fair Work Act explicitly entitled parents of young children to request a (reasonable) change in work arrangements. Leveraging variation in the timing of the law, timing of childbirth, and the bite of the law across different occupations and industries, we establish three main results. First, the Fair Work Act was used by new mothers to reduce their weekly working hours without renouncing their permanent contract, hence maintaining a regular schedule. Second, with this work arrangement, working mothers' child penalty declined from a 47% drop in hours worked to a 40% drop. For the most exposed mothers, the Fair Work Act led to both a doubling in the probability of staying in permanent contracts after childbirth, and a 30% decrease in the child penalty in hours of work. Third, while this implies a significant shift towards equality in the female and male shares of household income, we do not observe any changes in the female (disproportionate) share of home production.

Bonn Applied Microeconomics Seminar (CRC TR 224 Seminar)

Cameron Peng
(London School of Economics and
Political Science)

"Investor Memory and Biased Beliefs: Evidence from the
Field"

Coauthors

Zhengyang Jiang, Hongqi Liu, Hongjun Yan

Time

14:15–15:30 CET

Location

IZA, Conference Room, Schaumburg-Lippe-
Straße 9

Abstract

We survey a large representative sample of retail investors in China to elicit their memories of stock market investment and return expectations. We merge the survey data with administrative data of transactions to test a model in which investors selectively recall past experiences similar to the present cue to form beliefs. Our analysis uncovers new facts about investor memory and supports similarity-based recall as a key mechanism of belief formation in financial markets. When the market is going up, it cues investors to retrieve episodes of rising markets and recall their past performance more positively. Recalled experiences explain a sizable fraction of cross-investor variation in beliefs and dominate actual experiences in explanatory power. Recalled experiences also drive out the explanatory power of recent returns for expected future returns, ruling in a memory-based foundation for return extrapolation.

BGSE Micro Workshop

Daniel Krähler (University of Bonn)	"Screening with flexible investments"
Time 12:00–13:00 CET	Abstract I study the problem of a principal to design a screening mechanism when the agent can invest in her preference type ex ante. The agent can flexibly choose any distribution of types at a cost. I characterize the set of implementable distributions and derive optimal mechanisms for specific cost structures. When cost are linear, an optimal mechanism is first-best and induces first-best investment, and the principal extracts the first-best surplus. When costs display decreasing risk or are mean-based, an optimal mechanism induces inefficiently low investment. When costs display increasing risk and, in addition, are moment-based, optimal distributions have finite support, and are generally not first order dominated by first-best distributions.
Location Juridicum, Reinhard Selten Room (0.017)	

MEF/ECONtribute Seminar (Macro/Econometrics/Finance)

Christopher Busch (Ludwig-Maximilians-Universität München)	"Stage-Based Identification of Policy Effects"
Coauthors Christian Alemán, Alexander Ludwig, Raúl Santaaulàlia-Llopis	Abstract We develop a method that identifies the effects of nationwide policy, i.e., policy implemented across all regions at the same time. The core idea is to track outcome paths in terms of stages rather than time, where a stage of a regional outcome at time t is its location on the support of a reference path. The method proceeds in two steps. First, a normalization maps the time paths of regional outcomes onto the reference path—using only pre-policy data. This uncovers cross-regional heterogeneity of the stage at which policy is implemented. Second, this stage variation identifies policy effects inside a window of stages where a stage-leading region provides the no-policy counterfactual path for non-leading regions that are subject to policy inside that window. We assess our method's performance with Monte-Carlo experiments, illustrate it with empirical applications, and show that it captures heterogeneous policy effects across stages.
Time 12:15–13:30 CET	
Location Juridicum, Faculty Meeting Room (U1.040)	

Finance/CRC Seminar starts on April 17, 2024

Micro Theory Seminar

Joel Watson (UC San Diego)	"TBA"
Time 16:30–17:45 CET	Abstract TBA
Location Juridicum, Faculty Meeting Room (U1.040)	

Thursday, April 11, 2024

Econometrics & Statistics starts on April 18, 2024