

BONN ECON NEWS

April 7–11, 2025

Overview

People

New at the department

BGSE graduates

Workshops and seminars

Wednesday, April 9, 2025

MEF/ECONtribute Seminar (Macro/Econometrics)

Lance Lochner (University of Western Ontario)

“The Evolution of Unobserved Skill Returns in the U.S.: A New Approach Using Panel Data”

Finance Brown Bag Seminar

Valentin Kecht (BGSE, University of Bonn)

“Labor Markets and Financial Risk—How Bankers’ Outside Options Amplify Credit Cycles”

Micro Theory Seminar

Michael Ostrovsky (Stanford University)

“Congestion pricing, carpooling, and commuter welfare”

Thursday, April 10, 2025

Econometrics & Statistics Seminar

Toru Kitagawa (Brown University)

“Title”

People

New at the department

Julia Fallak

Position: BGSE Office

Anne Hannusch

Position: Professor, MEE

Research Interests: Macroeconomics/Family Economics, Economic Growth

Raffael Stefanik

Position: Coordinator for Study Program Development

Simon Trenkle

Position: Substitute Professor, IAME

Research Interests: Behavioral Labor Economics/Public Economics

Lina Uhe

Position: Doctoral Researcher, IME

Research Interests: Microeconomic Theory/Information Design in Markets

BGSE graduates

Christina Brinkmann

Dissertation: [Essays on Financial and Labor Market Institutions](#)

Workshops and seminars

Wednesday, April 9, 2025

MEF/ECONtribute Seminar (Macro/Econometrics)

Lance Lochner
(University of Western Ontario)

"The Evolution of Unobserved Skill Returns in the U.S.: A New Approach Using Panel Data"

Coauthors

Youngmin Park, Youngki Shin

Time

12:15–13:30 CET

Location

Juridicum, Faculty Meeting Room (U1.040)

Abstract

Economists disagree about the factors driving the substantial increase in residual wage inequality in the U.S. over the past few decades. To identify changes in the returns to unobserved skills, we make a novel assumption about the lifecycle dynamics of skills, which we validate using data on test score dynamics for older workers in the HRS. Using survey data from the PSID and administrative data from the IRS and SSA, we estimate that the returns to unobserved skills *declined* substantially in the late 1980s and 1990s despite an increase in residual inequality. Accounting for firm-specific pay differences yields similar results. Extending our framework to consider occupational differences in returns to skill and multiple unobserved skills, we further show that skill returns display similar patterns for workers employed in each of cognitive, routine, and social occupations. Finally, our results suggest that increasing skill dispersion, driven by rising skill volatility, explains most of the growth in residual wage inequality since the 1980s.

Finance Brown Bag Seminar

Valentin Kecht
(BGSE, University of Bonn)

"Labor Markets and Financial Risk—How Bankers' Outside Options Amplify Credit Cycles"

Coauthor

Georg Schneider

Time

14:45–15:30 CET

Location

Juridicum, Faculty Lounge (0.036)

Abstract

We study the role of labor market conditions in distorting bankers' incentives and affecting credit supply. We construct a bank-level measure of outside options, capturing labor demand shocks at connected financial institutions. Banks exposed to improved outside options increase loan volumes, shift toward riskier borrowers, take on greater financial risk, and contribute more to systemic risk. Our findings are consistent with a simple framework in which enhanced outside options exacerbate moral hazard and undermine banks' capacity to discipline their employees. We validate this mechanism by using data on financial adviser misconduct and by exploiting exogenous variation arising from stress tests. Our results document a labor mobility channel in amplifying credit cycles and highlight the importance of labor markets in shaping financial stability.

Micro Theory Seminar

Michael Ostrovsky (Stanford University)	"Congestion pricing, carpooling, and commuter welfare"
Coauthor Michael Schwarz	Abstract
Time 16:30–17:45 CET	Building on the canonical "bottleneck" model of Vickrey (1969), we show that carpooling and road pricing are highly complementary in addressing traffic congestion: they can be much more effective jointly than each one separately, and can improve commuter welfare without having to rely on the redistribution of government revenue. By contrast, technological advances that make time in traffic more comfortable or productive (e.g., self-driving cars), implemented without additional economic incentives, may result in zero improvement in social welfare.
Location Juridicum, Faculty Meeting Room (U1.040)	

Thursday, April 10, 2025

Econometrics & Statistics Seminar

Toru Kitagawa (Brown University)	"Title"
Time 15:15–16:15 CET	Abstract TBA
Location Juridicum, Faculty Lounge (0.036)	