

BONN ECON NEWS

June 2–6, 2025

Overview

Workshops and seminars

Tuesday, June 3, 2025

Bonn Applied Microeconomics Seminar (CRC TR 224 Seminar)

Lukas Bolte (Carnegie Mellon University)

“What You Don’t Know May Hurt You: Preferences Over Mental And External States”

Wednesday, June 4, 2025

BGSE Micro Workshop

Florian Brandl (University of Bonn)

“The Social Learning Barrier”

Micro Theory Seminar

Uzi Segal (Boston College)

“Allocation Mechanisms with Mixture-Averse Preferences”

Thursday, June 5, 2025

Econometrics & Statistics

Cristina Gualdani (Queen Mary University)

“Robust Identification in Repeated Games: An Empirical Approach to Algorithmic Competition”

Workshops and seminars

Tuesday, June 3, 2025

Bonn Applied Microeconomics Seminar (CRC TR 224 Seminar)

Lukas Bolte
(Carnegie Mellon University)

"What You Don't Know May Hurt You: Preferences Over Mental And External States"

Coauthor

Gonzalo Arrieta

Time

14:15–15:45 CET

Location

IZA, Conference Room, Schaumburg-Lippe-Straße 9

Abstract

The dominant approach to welfare, revealed preference, is restricted to settings where the individual knows their preferences have been fulfilled. We use a choosing-for-others framework to experimentally study welfare when what the individual believes differs from what is actually true. 42% of participants see welfare as independent of beliefs; 22% see welfare as exclusively determined by beliefs; and 29% care about both beliefs and reality. Furthermore, the average participant values accurate beliefs. While there is large heterogeneity, our results suggest most people support the idea that welfare goes beyond beliefs, which can inform media regulation, informational policies, and government communication.

Wednesday, June 4, 2025

BGSE Micro Workshop

Florian Brandl
(University of Bonn)

"The Social Learning Barrier"

Time

12:00–13:00 CET

Location

Juridicum, Reinhard Selten Room (0.017)

Abstract

We consider long-lived agents who interact repeatedly in a social network. In each period, each agent learns about an unknown state by observing a private signal and her neighbors' actions in the previous period before taking an action herself. Our main result shows that the learning rate of the slowest learning agent is bounded from above independently of the number of agents, the network structure, and the agents' strategies. Applying this result to equilibrium learning with rational agents shows that the learning rate of all agents in any equilibrium is bounded under general conditions. This extends recent findings on equilibrium learning and demonstrates that the limitation stems from an inherent tradeoff between optimal action choices and information revelation rather than strategic considerations.

Micro Theory Seminar

Uzi Segal
(Boston College)

"Allocation Mechanisms with Mixture-Averse Preferences"

Coauthor

David Dillenberger

Time

16:30–17:45 CET

Location

Juridicum, Faculty Meeting Room (U1.040)

Abstract

Consider an economy with equal amounts of N types of goods, to be allocated to agents with strict quasi-convex preferences over lotteries. We show that ex-ante, all Pareto efficient allocations give almost all agents lotteries over at most two outcomes. Therefore, even if all preferences are the same, some identical agents necessarily receive different lotteries. Our results provide a simple criterion to show that many popular allocation mechanisms are ex-ante inefficient. Assuming the reduction axiom, social welfare deteriorates by first randomizing over these binary lotteries. Efficient full ex-ante equality is achieved if agents satisfy the compound independence axiom.

Thursday, June 5, 2025

Econometrics & Statistics

Cristina Gualdani
(Queen Mary University)

"Robust Identification in Repeated Games: An Empirical Approach to Algorithmic Competition"

Time

16:00–17:15 CET

Location

Juridicum, Faculty Meeting Room (U1.040)

Abstract

We study the identification of economic primitives when algorithms make repeated strategic choices. While theory and simulations suggest that repeated-game equilibrium-like behavior often emerges in these settings (e.g., Calvano et al., 2020), a wide range of outcomes can emerge, depending on typically unobserved features of algorithms and the environment. We develop an incomplete model to characterize bounds on cost parameters without assumptions on equilibrium selection or algorithmic design. Through simulations of algorithmic play, we show our bounds are valid across different algorithm specifications. Moreover, bounds can be informative especially when leveraging demand variation across markets.