BONN ECON NEWS

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Overview

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Workshops and seminars

Tuesday, November 4, 2025

BGSE Applied Microeconomics Workshop

Luca Michels (University of Bonn)	"Do People Hold Economic Expectations?"

Coauthors
Peter Andre, Felix Chopra, Johannes Wohlfart

Time
13:00–14:00 CET

Location
IZA, Conference Room, Schaumburg-Lippe-Straße 9

Abstract
Expectations are central in models of economic decision-making, and economists now routinely elicit them in surveys. But to what extent do people hold expectations, in the sense that they have previously formed them and can retrieve them when needed? Under which conditions do people hold expectations? And what does holding an expectation imply for measured beliefs and decision-making? We address these questions using a novel survey module designed to detect whether respondents hold an expectation about a particular issue. We document substantial variation across individuals and domains in the extent to which people hold expectations. Among individuals who are close in time to making an economic decision, a larger share—but not all—hold an expectation. Individuals who have not formed an expectation before participating in the survey often report expectations that are more dispersed; they are less certain about their expectations; they update their expectations more strongly in response to objectively relevant information but are also more susceptible to irrelevant contextual cues; and they place less weight on their reported expectations and rely more on defaults and simple heuristics when making decisions.

BGSE Brown Bag Seminar (Applied Microeconomics)

Moisés Pedrozo (University of Bonn)	"The Effects of Cultural Distance on Public-Goods Provision: Evidence from Refugee Inflows in Switzerland"

Time
14:15–15:45 CET

Location
IZA, Conference Room, Schaumburg-Lippe-Straße 9

Abstract
This paper studies how cultural distance shapes local fiscal responses to forced migration. I construct a values-based distance index (WVS/EVS) and combine it with administrative data on refugee allocation and cantonal budgets in Switzerland. Exploiting the quasi-random allocation of the 1999–2000 Iranian inflow across cantons, I estimate the effect of arrivals and its heterogeneity by ex-ante distance. Arrivals increased public goods spending, with larger effects at greater cultural distance: education increased by 0.25 SD, sports by 0.59 SD, and local security by 0.11 SD. The findings imply that cultural distance shapes fiscal adjustments to refugee inflows and motivate mechanism tests to identify the underlying channels.

Wednesday, November 5, 2025

BGSE Micro Workshop

Alexis Ghersengorin (University of Bonn)	"Imperfect Recall and AI Delegation"
Coauthors Eric Olav Chen, Sami Petersen Time 12:00–13:00 CET Location Juridicum, Reinhard Selten Room (0.017)	Abstract A principal wants to deploy an artificial intelligence (AI) system to perform a task. But the AI may be misaligned and pursue a conflicting objective. The principal can (i) simulate the task in tests and (ii) impose imperfect recall on the AI, obscuring whether the task being performed is real or part of a test. By deleting the AI's memory, the principal can *screen* the misaligned AI during testing in equilibrium. Furthermore, by committing to a number of tests and a deployment policy, the principal can, in addition, *discipline* the AI's behaviour in deployment. Increasing the number of tests allows the principal to screen or discipline arbitrarily well.

MEF/ECONtribute Seminar (Macro/Econometrics/Finance)

Baris Kaymak (Federal Reserve Bank of Cleveland)	"Robinson Meets Roy: Monopsony Power and Comparative Advantage"
Coauthors Mark Bils, Kai-Jie Wu Time 12:00–13:15 CET Location Juridicum, Faculty Meeting Room (U1.040)	Abstract We provide a number of insights into the nature and consequences of monopsony power through the lens of comparative advantage, where employers' power in wage setting stems from match-specific rents. Chief among them is that employers will apply larger wage markdowns to workers with greater comparative advantage at their firm. This leads to stronger monopsony power over more productive workers, provided the workers' comparative advantage aligns with their absolute advantage. Using Brazilian administrative data, we confirm this prediction: monopsony disproportionately affects high-wage workers within firms and workers at high-paying firms. The model, calibrated to our estimates for Brazil, predicts that minimum wages increase both wages and formal employment for more productive workers while pushing less productive workers out of formal employment.

Finance Brown Bag

Maxi Günnewig (University of Bonn)	"Optimal Financial Intermediation"
Coauthor Yuliyan Mitkov Time 14:45–16:00 CET Location Juridicum, Faculty Lounge	Abstract Banks are intermediaries that issue deposits to finance loans, which exposes them to runs. Diamond and Rajan (2000, 2001) argue that this financial fragility is precisely why banks emerge as a solution to the hold-up problem identified by Hart and Moore (1994). We revisit this framework and characterize the optimal financial intermediation arrangement, which maintains the desirable properties of deposits while avoiding runs. Thus, in contrast to Diamond and Rajan, we find that fragility is not essential for but rather detrimental to the efficient flow of credit in the economy. Our arrangement accommodates asset risk while remaining safer than deposits and consistent with creditor monitoring incentives. It also has a natural implementation as an open-end fund and is consistent with empirical findings. Finally, we identify government guarantees as a rationale for deposit financing.

Micro Theory Seminar

Toomas Hinnosaar (University of Nottingham)	"Collusion without Patience"
Coauthor Jacopo Bizzotto Time 16:30–17:45 CET Location Juridicum, Faculty Meeting Room (U1.040)	Abstract Tacit collusion is usually linked to repeated interactions between patient firms. We show that it can also arise in a one-shot duopoly. When firms choose capacities and face outsourcing contracts with minimum order quantities, gaps in feasible outputs allow commitment not to sell intermediate quantities. For a range of parameters, there exists a collusive equilibrium in which both firms produce less and earn more than under competition. Three other equilibria can also arise: competitive, leadership, and miscoordination. We then extend the model to general two-sided limited commitment and show that it yields the same set of equilibria.

Bonn Macro Internal Seminar

Alexandros Gilch (University of Bonn)	"Inference for missing data in state space models"
Time 15:00–16:00 CET Location Kaiserplatz 7–9, Room 4.006	Abstract —

Thursday, November 6, 2025

Econometrics & Statistics Seminar

Frank Schorfheide (University of Pennsylvania)	“Uncertainty in Empirical Economics"
Coauthor Zhiheng You Time 16:15–17:15 CET Location Juridicum, Faculty Room (U 1.040)	Abstract Econometricians invest substantial effort in constructing standard errors that yield valid inference under a hypothetical data-generating process. This paper asks a fundamental question: Are the uncertainty statements reported by applied researchers consistent with empirical frequencies? The short answer is no. Drawing on the forecasting literature, we predict estimates from “new” studies using estimates from corresponding baseline studies. By doing this across a large number of study groups and linking parameters through a hierarchical model, we compare stated probabilities to observed empirical frequencies. Alignment occurs only under limited external validity, namely, that the studies estimate different parameters.