

BONN ECON NEWS

FACHBEREICH WIRTSCHAFTSWISSENSCHAFTEN
DEPARTMENT OF ECONOMICS

WORKSHOPS AND SEMINARS May 02 – 06, 2022

Tuesday, May 03, 2022

Applied Micro Seminar
12:15 CET, via Zoom, details below

Josef Zweimüller, University of Zurich (UZH)
“Duration Dependence in Finding a Job”

Wednesday, May 04, 2022

MEF-Seminar (Macro/ Econometrics/ Finance)
12:00 – 13:00 CET, via Zoom, details below

Francesco Lippi, Einaudi Institute for Economics and Finance (EIEF)
“Price Setting with Strategic Complementarities as a Mean Field Game”

BGSE Workshop
12:00 CET, Juridicum, RSI Room, n° 0.017,
details below

Francesc Dilmé, University of Bonn
“Repeated bargaining with noisy information about previous transactions”

Micro Theory Seminar
16:30 CET, Juridicum, Faculty Room

Filip Matejka, CERGE-EI
“Choice simplification: A theory of mental budgeting and naive diversification”

Finance/CRC/ECONtribute Seminar
17:00 – 18:15 CET, via Zoom, details below

Ross Levine, Berkeley Haas
“Selection into Entrepreneurship and Self-Employment”

Thursday, May 05, 2022

IZA Research Seminar
12:15 CET, hybrid format, via Zoom and at IZA,
Schaumburg-Lippe-Str. 9, 53113 Bonn,
Conference Room 9, details below

Teodora Boneva, University of Bonn
“Maternal Labor Supply: Perceived Returns, Constraints, and Social Norms”

Bonn Mannheim Econometrics & Statistics Seminar
16:00 – 17:00 CET, via Zoom, details below

Alexandre Poirier, Georgetown University
“Sensitivity Analysis with Endogenous Controls”

MacroHistory Seminar
16:00 CET, via Zoom, details below

Luigi Pascali, Pompeu Fabra University
“Wars, Taxation and Representation: Evidence from Five Centuries of German History”

SPECIAL RECOMMENDATIONS ON UPCOMING EVENTS

Monthly Podcast

ECONtribute Podcast Special #Ukraine
Monthly episodes, details below

Farzad Saidi, Carolin Jackermeier
Focus on economic consequences of the war

Friday, June 10, 2022

ECONtribute Selten Salon
17:00-19:00 CET
Studio Dumont, Breite Str. 72, 50667 Cologne,
details below

Claudia Buch
Vice President of the German Federal Bank
„Why is financial stability important for society?“

Applied Micro Seminar

Josef Zweimüller, University of Zurich (UZH)
“Duration Dependence in Finding a Job”
With R. Lalive, A. Osikominu and J. Zuchuat

Abstract:

This paper studies the dynamics of job search using a novel administrative database on job search activities and outcomes of Swiss unemployed. We leverage on the panel structure of our data to control for the inherent dynamic selection process affecting our sample, to measure net- of-dynamic-selection duration dependence in the search effort provided by job seekers (i.e. the monthly number of applications) and firm’s responses to applications (i.e. the probability of inviting job seekers to a job interview). We quantify the relative contribution of those two channels of duration dependence to the overall decrease in the number of job interviews and job offer rate, in a decomposition exercise. Our results show that both job-seekers’ effort and firm’s response to applications decrease steadily over time, also when controlling for individuals’ heterogeneity. The combination of those negative trends leads to a large decrease in the number of job interviews and job offer rate over time. Approximately half of the empirical decrease in the job offer rate is attributable to diminishing search effort, while the remaining half is due to changes in recruiters’ behavior. Were both channels of duration dependence to be shut down, the job offer rate faced by the unemployed individuals would essentially be flat.

Hybrid in-person/online via Zoom—details tba via the Applied Micro mailing list

MEF-Seminar (Macro/ Econometrics/ Finance)

Francesco Lippi, Einaudi Institute for Economics and Finance (EIEF)
„Price Setting with Strategic Complementarities as a Mean Field Game“

Abstract:

We study the propagation of monetary shocks in a sticky-price general-equilibrium economy where the firms' pricing strategy feature a complementarity with the decisions of other firms. In a dynamic equilibrium the firm's price-setting decisions depend on aggregates, which in turn depend on firms' decisions. We cast this fixed-point problem as a Mean Field Game and establish several analytic results. We study existence and uniqueness of the equilibrium and characterize the impulse response function (IRF) of output following an aggregate "MIT" shock. We prove that strategic complementarities make the IRF larger at each horizon, in a convex fashion. We establish that complementarities may give rise to an IRF with a hump-shaped profile. As the complementarity becomes large enough the IRF diverges and at a critical point there is no equilibrium. Finally, we show that the amplification effect of the strategic interactions is similar across models. For instance, the Calvo model and the Golosov-Lucas model display a comparable amplification, in spite of the fact that the non-neutrality in Calvo is much larger.

Via Zoom:

<https://uni-bonn.zoom.us/j/67600752505?pwd=T3FzTGZTUHoyNUs4aDVQY3M0VDBYQT09>
Meeting ID: 676 0075 2505

BGSE Workshop

Francesc Dilmé, University of Bonn
„Repeated bargaining with noisy information about previous transactions“

Abstract:

This paper studies how information affects the terms of trade in repeated bargaining. A buyer has private information about his willingness to pay, which is either low or high, and buys goods from different sellers over time. Each seller observes a noisy history of signals about the previous transactions and sets a price. We show that reductions in the signal's precision imply both fewer discounted prices and lower and more often accepted high prices. The effect of changes in the tracking precision is non-monotone: while more information increases buyers' surplus and market efficiency when the signal is not precise to begin with, the opposite may occur if the signal is already precise. We shed light on the effect of laws regulating privacy in online markets, secrecy in financial markets, and transparency in government purchases.

At the RSI room only, Juridicum, room n° 0.017

Micro Theory Seminar

Filip Matejka, CERGE-EI

"Choice simplification: A theory of mental budgeting and naive diversification"

Abstract:

We develop a theory of how an agent makes basic multi-product consumption decisions in the presence of taste, consumption-opportunity, and price shocks that are costly to attend to. We establish that the agent often simplifies her choices by restricting attention to a few important considerations, which depend on the decision at hand and affect her consumption patterns in specific ways. If the agent's problem is to choose the consumption levels of many goods with different degrees of substitutability, then she may create mental budgets for more substitutable products (e.g., entertainment). In some situations, it is optimal to specify budgets in terms of consumption quantities, but when most products have an abundance of substitutes, specifying budgets in terms of nominal spending tends to be optimal. If the goods are complements, in contrast, then the agent may — consistent with naive diversification — choose a fixed, unconsidered mix of products. And if the agent's problem is to choose one of multiple products to fulfill a given consumption need (e.g., for gasoline or a bed), then it is often optimal for her to allocate a fixed sum for the need.

At the Faculty Room only, Juridicum

Finance/ CRC/ ECONtribute Seminar

Ross Levine, Berkeley Haas

"Selection into Entrepreneurship and Self-Employment"

With Yona Rubinstein

Abstract:

We study the effects of ability and liquidity constraints on entrepreneurship. We develop a three sector Roy model that differentiates between entrepreneurs and other self-employed to address puzzling gaps that have emerged between theory and evidence on entry into entrepreneurship. The model predicts—and the data confirm—that entrepreneurs are positively selected on highly remunerated cognitive and non-cognitive human capital skills, but other self-employed are negatively selected on those same abilities; entrepreneurs are positively selected on collateral, but other self-employed are not; and entrepreneurship is procyclical, but self-employment is countercyclical.

Via Zoom:

<https://uni-bonn.zoom.us/j/95735374743?pwd=T3BYbWt1bVZNelkvcDV3SUcxUlkrUT09>

Teodora Boneva, University of Bonn

“Maternal Labor Supply: Perceived Returns, Constraints, and Social Norms”

With Katja Kaufmann and Christopher Rauh

Abstract:

We design a new survey to elicit quantifiable, interpersonally comparable beliefs about pecuniary and non-pecuniary benefits and costs to maternal labor supply decisions, to study how beliefs vary across and within different groups in the population and to analyze how those beliefs relate to choices. In terms of pecuniary returns, mothers’ (and fathers’) later-life earnings are perceived to increase the more hours the mother works while her child is young. Similarly, respondents perceive higher non-pecuniary returns to children’s cognitive and non-cognitive skills the more hours a mother works and the more time her child spends in childcare. Family outcomes on the other hand, such as the quality of the mother-child relationship and child satisfaction, are perceived to be the highest when the mother works part-time, which is also the option most respondents believe their friends and family would like them to choose. There is a large heterogeneity in the perceived availability of full-time childcare and relaxing constraints could substantially increase maternal labor supply. Importantly, it is perceptions about the non-pecuniary returns to maternal labor supply as well as beliefs about the opinions of friends and family that are found to be strong predictors of maternal labor supply decisions, while beliefs about labor market returns are not.

Hybrid format

Zoom: <https://iza-org.zoom.us/j/87487213161>

In person: IZA, Schaumburg-Lippe-Str. 9, 53113 Bonn, Conference room 9

If you would like to attend the seminar in person, please register your interest here: <https://forms.gle/i1XWaM1qFXUqq6bb6>

Bonn Mannheim Econometrics & Statistics Seminar

Alexandre Poirier, Georgetown University
"Sensitivity Analysis with Endogenous Controls"
With Matt Masten and Paul Diegert

Abstract:

Omitted variables are one of the most important threats to the identification of causal effects. Several widely used methods, including Oster (2019), have been developed to assess the impact of omitted variables on empirical conclusions. These methods all require an exogenous controls assumption: the omitted variables must be uncorrelated with the included controls. This is often considered a strong and implausible assumption. We provide an alternative approach to sensitivity analysis which allows for endogenous controls, while still letting researchers calibrate sensitivity parameters by comparing the magnitude of selection on observables with the magnitude of selection on unobservables. We illustrate our results in an empirical application to the effect of historical American frontier life on modern cultural beliefs. Finally, we implement these methods in a companion Stata module for easy use in practice.

Via Zoom:

<https://uni-bonn.zoom.us/j/98672308512?pwd=TWcvOStFVzRfM0lGTW9lbHJLVkxkdz09>

MacroHistory Seminar

Luigi Pascali, Pompeu Fabra University
„Wars, Taxation and Representation: Evidence from Five Centuries of German History“
With Sascha O. Becker, Andreas Ferrara, and Eric Melander

Abstract:

We provide causal evidence for the role of conflicts in the development of medieval constitutionalism and document the long shadow of this institutional development on the rise of modern states in Central Europe. Using novel data on the universe of German cities between 1290 and 1710 and an identification strategy relying on the gender of the firstborn children of local nobles, we show that: 1) conflicts resulted in more representative and elected city councils, 2) conflicts led to the development of local fiscal capacity, 3) territories with higher fiscal capacity were those that greatly expanded after the Military Revolution.

Via Zoom:

<https://uni-bonn.zoom.us/j/65260388992?pwd=YWVmRiVPUmZoSVRSMLhUWDczUkoOUT09>

Meeting-ID: 652 6038 8992

Kenncode: 308052

ECONtribute Podcast Special #Ukraine

Farzad Saidi, Institute of Finance & Statistics, ECONtribute, University of Bonn
„The SWIFT System”

Abstract:

ECONtribute discusses economic impacts of the Ukraine war in a special season of the ECONtribute Wirtschaftspodcast. Listen now – wherever podcasts are available. In the context of the Ukraine war, ECONtribute’s economic podcast discusses international economic impacts of the conflict scientifically. Energy embargo, financial sanctions and negotiation strategies: Researchers from the Cluster of Excellence provide scientific evidence. In monthly episodes of about 30 minutes, Carolin Jackermeier discusses the most exciting topics of ECONtribute research with researchers from the Universities of Bonn and Cologne as well as external guests and provides insight into the work of the Cluster of Excellence.

Podcast: <https://econtribute.de/de/newsroom/#podcast>

ECONtribute Selten Salon

Claudia Buch, Vice President of the German Federal Bank
„Why is financial stability important for society?”

Abstract:

The functioning of the financial system is of central importance for real economic development. Financial crises have shown that disruptions in the financial system can harm economic and employment growth and burden government budgets. It is therefore important that the system is sufficiently resilient. After all, a stable financial system can also cushion unexpected events – even during periods of upheaval in the real economy. But how stable is the financial system and what are the current challenges? These and other questions will be explored by Prof. Dr. Claudia Buch in her lecture.

Friday, June 10, 2022, 17:00-19:00 CET
Studio Dumont, Breite Str. 72, 50667 Cologne

Registration and further information on:

<https://econtribute.de/event-registration-selten-salon/>
<https://econtribute.de/de/event/selten-salon-mit-claudia-buch/>

Redaktionsschluss / Deadline
BONN ECON NEWS May 09 - 13, 2022
Wednesday, May 04, 2022
12:00 CET

BONN ECON NEWS by email (pdf):
To subscribe or unsubscribe send E-Mail to
sympa@listen.uni-bonn.de

Write in subject line "subscribe/unsubscribe econ-news Name LastName"
and no text in body.