



BONN ECON NEWS

FACHBEREICH WIRTSCHAFTSWISSENSCHAFTEN
DEPARTMENT OF ECONOMICS

WORKSHOPS AND SEMINARS January 17 – 21, 2022

Monday, Jan 17, 2022

BGSE Micro Workshop

18:00 CET, via Zoom, details below

Changhwa Lee, Univ. of Pennsylvania

“Optimal Recommender System Design”

Tuesday, Jan 18, 2022

Applied Micro / CRC TR 224 / Workshop, in Co-operation with briq

16:00 CET, via Zoom, details below

Marta Serra Garcia, Rady School of Management, UCSD

“Predicting Behavior Based on Pre-Play Communication”

Wednesday, Jan 19, 2022

BGSE Micro Workshop

12:00 CET, via Zoom, details below, and Juridicum, Room No. 0.017 (RSI)

Francesc Dilmé, Univ. Bonn

“Lexicographic Numbers and Stability in Extensive Form Games”

Finance and Insurance / CRC TR 224 / ECONtribute Seminar

14:45 CET, via Zoom, details below

Camelia M. Kuhnen, Univ. of North Carolina

“Wealth and Insurance choices: Evidence from U.S. Households”

Macro/Econometrics/Finance (MEF) Seminar

In Co-operation with UCL

via Zoom, details below

Thursday, Jan 20, 2022

Bonn MacroHistory Seminar

16:00 CET, via Zoom, details below

Lukasz Rachel, Princeton Univ.

“Uneven Growth: Automation’s Impact on Income and Wealth Inequality”

Friday, Jan 21, 2022

YEP Seminar ECONtribute

13:00 CET, via Zoom, details below

Markus Möller, CGS, Univ. Cologne

“Transparent Matching Mechanisms”

BGSE Micro Workshop

Changhwa Lee, Univ. of Pennsylvania

“Optimal Recommender System Design”

Abstract

Intermediaries such as Amazon and Google recommend products and services to consumers for which they receive compensation from the recommended sellers. Consumers will find these recommendations useful only if they are informative about the quality of the match between the sellers' offerings and the consumer's needs. The intermediary would like the consumer to purchase the product from the recommended seller, but is constrained because consumers need not follow the recommendation. I frame the intermediary's problem as a mechanism design problem in which the mechanism designer cannot directly choose the outcome, but must encourage the consumer to choose the desired outcome. I show that in the optimal mechanism, the recommended seller has the largest non-negative virtual willingness to pay adjusted for the cost of persuasion. The optimal mechanism can be implemented via a handicap auction. I use this model to provide insights for current policy debates. First, to examine the impact of the intermediary's use of seller data, I identify types of seller data that lead to benefit or harm to the consumer and sellers. Second, I find that the optimal direct mechanism protects consumer privacy, but consumer data is leaked to sellers under other implementations. Lastly, I show that the welfare-maximizing mechanism increases the consumer surplus, but reduces the joint profit of the intermediary and sellers relative to the revenue-maximizing mechanism. An alternative interpretation of the model as a search engine is discussed.

Zoom: <https://uni-bonn.zoom.us/j/96045476214?pwd=VjkvMUowVDFBeHovZmtxYVEyb0d2dz09>

Applied Micro / CRC TR 224 Workshop, in Co-operation with brig

Marta Serra Garcia, Rady School of Management, UCSD

“Predicting Behavior Based on Pre-Play Communication”

(with Uri Gneezy)

Zoom Seminar, Zoom URL tba via mailing list

BGSE Micro Workshop

Francesc Dilmé, Univ. Bonn

“Lexicographic Numbers and Stability in Extensive Form Games”

Abstract

This paper introduces the space of (lexicographic) l-numbers and uses it to analyze extensive-form games. We provide a simple characterization of sequential equilibria which does not use sequences of strategy profiles. We introduce a new concept of stability, named l-stability, and prove the existence of l-stable outcomes for all extensive-form games. We show that stable outcomes are l-stable when they exist.

Zoom: <https://uni-bonn.zoom.us/j/96045476214?pwd=VjkvMUowVDFBeHovZmtxYVEyb0d2dz09>

Finance and Insurance / CRC TR 224 / ECONtribute Seminar

Camelia M. Kuhnen, Univ. of North Carolina

“Wealth and Insurance choices: Evidence from U.S. Households”

(with Michael Gropper)

Abstract

Theoretically, wealthier people should buy less insurance, and should self-insure through saving instead, as insurance entails monitoring costs. Here, we use administrative data for 63,000 individuals and, contrary to theory, find that the wealthier have better life and property insurance coverage. Wealth-related differences in background risk, legal risk, liquidity constraints, financial literacy, and pricing explain only a small fraction of the positive wealth-insurance correlation. This puzzling correlation persists in individual fixed-effects models estimated using 2.5 million person-month observations. The fact that the less wealthy have less coverage, though intuitively they benefit more from insurance, might increase financial health disparities among households.

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

Macro/Econometrics/Finance (MEF) Seminar, in Co-operation with UCL

Please refer to: <https://www.mee.uni-bonn.de/seminars>

Bonn MacroHistory Seminar

Lukasz Rachel, Princeton Univ.

“Uneven Growth: Automation’s Impact on Income and Wealth Inequality”

(with Benjamin Moll, Pascual Restrepo)

Abstract

The benefits of new technologies accrue not only to high-skilled labor but also to owners of capital in the form of higher capital incomes. This increases inequality. To make this argument, we develop a tractable theory that links technology to the personal income and wealth distributions – and not just that of wages – and use it to study the distributional effects of automation. We isolate a new theoretical mechanism: automation increases inequality via returns to wealth. The flip side of such return movements is that automation is more likely to lead to stagnant wages and therefore stagnant incomes at the bottom of the distribution. We use a multi-asset model extension to confront differing empirical trends in returns to productive and safe assets and show that the relevant return measures have increased over time. Automation accounts for part of the observed trends in income and wealth inequality and macroeconomic aggregates.

<https://uni-bonn.zoom.us/j/99710470576?pwd=WnZ1b21vbWhuUEtIT0w5NURBNng1Zz09>

Meeting ID: 997 1047 0576

Passcode: 988946

YEP Seminar ECONtribute

Markus Möller, CGS, Univ. Cologne
“Transparent Matching Mechanisms”

Please refer to: <https://econtribute.de/events/yep-seminar/>

Zoom Seminar, Zoom URL TBA via mailing list

For further details please contact tim.boeck@uni-bonn.de

Redaktionsschluss / Deadline

BONN ECON NEWS Jan 24 – 28, 2022

Wednesday, Jan 19, 2022

12:00

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