



GESY

Governance and The Efficiency of Economic Systems

Newsletter

Sonderforschungsbereich Transregio 15 • A cooperation of: FU Berlin • HU Berlin • Universität Bonn • Universität Mannheim • ZEW Mannheim • LMU München

Newsletter No. 9

September 2013

SFB/TR 15 Seminars

Bonn		
Date	Speaker (Institution)	Title
05.07.2013	Erte Xiao, Carnegie Mellon University	Sign me up! A new model and field experiment on volunteering
12.07.2013	Lorenz Goette, Université de Lausanne	Expectations as Reference Points? Theory and an Empirical Test
16.07.2013	Lisa Bruttel, Universität Konstanz	Is there an exclusionary effect of retroactive price reduction schemes?

Conferences Organized by SFB/TR15 Members

A2 (Konrad)		
Name	Topic	Dates
Kai Konrad	IX. Tax Day, Max Planck Institute for Tax Law and Public Finance	August 13 - 14

External Research Visits, Lectures and Seminars of SFB/TR 15 Members

A2 (Konrad)		
Name	Topic	Dates
Luisa Herbst	"Endogenous group formation in experimental contests", PET Conference, Lisbon	July 6
Kai Konrad	"Alliances in the Shadow of Conflict", PET Conference, Lisbon	July 6
Kai Konrad	"Alliances in the Shadow of Conflict", SAET Conference, Paris	July 23
Kai Konrad	"Brothers in Arms – Theory and Evidence on Alliances", Distinguished speaker, 5 th Singapore Economic Review Conference	August 6
Luisa Herbst	"Endogenous group formation in experimental contests", IIPF Conference, Taormina	August 22
Luisa Herbst	"Endogenous group formation in experimental contests", EEA Conference, Gothenburg	August 26

A4 (Schmidt)		
Name	Topic	Dates
Klaus Schmid	SITE Workshop Stanford, "Reference Points, Social Norms, and Fairness in Contract Renegotiations".	August 26-28
Joachim Winter	"Understanding the SES gradient in health among the elderly: The role of childhood circumstances." NBER Conference on the Economics of Aging, Carefree, AZ.	11.05.2013
Joachim Winter	"Can survey participation alter household financial behavior?" Max-Planck-Institut für Sozialrecht und Sozialpolitik, München.	26.06.2013
Joachim Winter	"Can survey participation alter household financial behavior?" Deutsche Bundesbank, Frankfurt.	05.07.2013
Joachim Winter	"Plan selection in Medicare Part D: Evidence from administrative data." NBER Summer Institute, Cambridge, MA.	23.07.2013
Joachim Winter	"The effects of financial literacy training: Evidence from a field experiment with German high-school children." IZA/WZB Conference on Experiments Outside the Lab, Berlin.	23.08.2013
Fabian Herweg	"Loss Aversion and Ex Post Inefficient Renegotiation" (joint work with Klaus M. Schmidt) Verein für Socialpolitik, Düsseldorf	05.09.2013
A7 (Strausz/Wolfstetter)		
Name	Topic	Dates
Martin Pollrich	International Conference on Game Theory in Stony Brook, USA, "On the benefits of mediation in contracting problems with limited commitment"	July 12
Martin Pollrich	Conference on Economic Design in Lund, Sweden, "On the benefits of mediation in contracting problems with limited commitment"	July 27
Matthias Lang	EEA-ESEM 2013, Gothenburg, Sweden, "Investing Your Vote - On the Emergence of Small Parties"	August 27
Andreas Asseyer	EEA-ESEM 2013, Gothenburg, Sweden, "Noncontractible Investments in Optimal Procurement Contracts"	August 30
B4 (Kräkel)		
Name	Topic	Dates
Matthias Kräkel	Bad Mergers Revisited: An Incentive Perspective, Verein für Socialpolitik, Düsseldorf	05.09.2013
Matthias Kräkel	Authority and Incentives in Organizations, GEABA, Magdeburg	26.09.2013
Petra Nieken	Hidden Benefits of Reward : A Field Experiment on Motivation and Monetary Incentives, GEABA, Magdeburg	26.09.2013

B5 (Schnitzer/Eckel)		
Name	Topic	Dates
Iris Kesternich	"Us and Them: Distributional Preferences in Small and Large Groups" EEA Congress in Gothenburg, Sweden	30.08.2013
B7 (Marin)		
Name	Topic	Dates
Alexander Tarasov	presented his paper "Trade in Tasks and the Organization of Firms" (joint with Dalia Marin and Jan Schymik) at EEA-ESEM Gothenburg	August 28th
Jan Schymik	presented his paper "Trade, Technologies, and the Talent Organization" at EEA-ESEM Gothenburg	August 26th
C5 (Nocke)		
Name	Topic	Dates
Nicolas Schutz	Cross-Border Price Effects of Mergers and Acquisitions: A Quantitative Framework for Competition Policy" (joint with Holger Breinlich and Volker Nocke) at Nagoya University	July 26
Jan-Peter Siedlarek	"Making friends meet - Network formation with Introductions", presented at Public Economic Theory 2013, Lisbon	July 5-7
Jan-Peter Siedlarek	"Exchange with Intermediation in Networks", presented at 13th SAET Conference on Current Trends in Economics, Paris	July 22-27
Jan-Peter Siedlarek	"Making friends meet - Network formation with Introductions", presented at EEA-ESEM 2013, Gothenburg	August 26-28
C8 (Falk)		
Name	Topic	Dates
Matthias Wibrál	Myopic Loss Aversion and Changing Feedback Institutions, Research Seminar, University of Heidelberg	July 22

Internal Research Visits of SFB/TR 15 Members

Name	Topic	Dates
Daniel Krähmer (Project A5)	visits project A7	12.8. - 16.8.

New Discussion Papers

B7 (Marin)		
Name	Title	Number
Michael Seitz, Alexander Tarasov, Roman Zakharenko	<p>Trade Costs, Conflicts, and Defense Spending</p> <p>Abstract: This paper develops a quantitative model of trade, military conflicts, and defense spending. Trade liberalization between two countries reduces probability of an armed conflict between them, causing both to cut defense spending. This in turn causes a domino effect on defense spending by other countries. As a result, both countries and the rest of the world are better off. We estimate the model using data on trade, conflicts, and military spending. We find that, after reduction of costs of trade between a pair of hostile countries, the welfare effect of worldwide defense spending cuts is comparable in magnitude to the direct welfare gains from trade.</p> <p><i>Keywords:</i> general equilibrium, gains from trade, defense spending <i>JEL Codes:</i> C5, C6, F13, F51, H56</p>	404
A9 (Corneo)		
Name	Title	Number
Giacomo Corneo	<p>Work Norms, Social Insurance and the Allocation of Talent</p> <p>Abstract: This paper challenges the view that weak work norms in generous welfare states makes them economically unsustainable. I develop a dynamic model of family-transmitted values that has a laissez-faire equilibrium with strong work norms coexisting with a social-insurance equilibrium with weak work norms. While the former has better incentives, the latter induces more intergenerational occupational mobility which improves the allocation of talent and fuels growth. Strong work norms arise as a defensive strategy of parents that aims at perpetuating their occupation along family lines. I present evidence from microdata showing that generous social insurance correlates with high intergenerational occupational mobility and that more mobile individuals endorse weaker work norms.</p> <p><i>Keywords:</i> work norms, unemployment insurance, occupational mobility, economic growth. <i>JEL-Classification:</i> H2, O0, Z1.</p>	405

A7 (Strausz/Wolfstetter)		
Name	Title	Number
Daniel Krähmer, Roland Strausz	<p>Ex post information rents and disclosure in sequential screening</p> <p>Abstract: We study ex post information rents in sequential screening models where the agent receives private ex ante and ex post information. The principal has to pay ex post information rents for preventing the agent to coordinate lies about his ex ante and ex post information. When the agent's ex ante information is discrete, these rents are positive, whereas they are zero in continuous models. Consequently, full disclosure of ex post information is generally suboptimal. Optimal disclosure rules trade off the benefits from adapting the allocation to better information against the effect that more information aggravates truth-telling.</p> <p><i>Keywords:</i> information rents, sequential screening, information disclosure <i>JEL codes:</i> D82, H57</p>	406

Publications

A1 (Bester/Tröger)		
Name	Topic	Dates
Helmut Bester	Investments and the Holdup Problem in a Matching Market, <i>Journal of Mathematical Economics</i> , 49(4), 302–311.	2013
A4 (Schmidt)		
Name	Topic	Dates
Joachim Winter	H. Farbmacher und J. Winter: "Per-period co-payments and the demand for health care: Evidence from survey and claims data." <i>Health Economics</i> , forthcoming.	
Joachim Winter	Heiss, F., Leive, A.; McFadden, D., Winter, J.: "Plan selection in Medicare Part D: Evidence from administrative data." <i>Journal of Health Economics</i> , forthcoming.	
Joachim Winter	Englmaier, F., Strasser, S., Winter, J.: "Worker characteristics and wage differentials: Evidence from a gift-exchange experiment.", <i>Journal of Economic Behavior and Organization</i> , forthcoming.	

A7 (Strausz/Wolfstetter)

Name	Topic	Dates
Elmar Wolfstetter (joint with Cuihong Fan and Byoung Heon Jun)	Licensing process innovations when losers' messages determine royalty rates, <i>Games and Economic Behavior</i> (doi: 10.1016/j.geb.2013.08.003)	available online 23 August 2013
Elmar Wolfstetter (joint with Cuihong Fan and Byoung Heon Jun)	Licensing a Common Value Innovation when Signaling Strength May Backfire, <i>International Journal of Game Theory</i> , forthcoming	

Miscellaneous**A4 (Schmidt)**

Name	Topic	Dates
Robert Ulbricht	defended his dissertation, "Essays in Informational Economics"	April 2013

New/Leaving Staff**A4 (Schmidt)**

Name	Topic	Dates
Caspar Siegert	is leaving the SFB and takes a position at the Bank of England.	Sept. 2013
Robert Ulbricht	is leaving the SFB and takes an Assistant Professorship at University of Toulouse.	Sept. 2013

A8 (Rady)

Name	Topic	Dates
Philipp Strack	has left Project Area A8 to take up a one-year postdoctoral fellowship at Microsoft Research before joining UC Berkeley.	

B7 (Marin)

Name	Topic	Dates
Jan Tscheke	Jan Tscheke is joining project B7 instead of Henrike Michaelis	September 1st
Henrike Michaelis	Henrike Michaelis is leaving project B7	August 31st

Visitors

A9 (Corneo)		
Name	Speaker (Institution)	Date
Luigino Bruni	Università di Roma Lumsa	23.07.-6.08.

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Editorial deadline for SFB/TR 15 Newsletter No. 9: Tuesday, August 28th, 2013