

Newsletter 10/2023

ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN BERGHEIMER STR. 58, 69115 HEIDELBERG, TEL. 06221/54-2941 REDAKTION: FREYA SCHADT, EMAIL: NEWSLETTER@AWI.UNI-HEIDELBERG.DE

Upcoming Seminars

Monday, 8.5.2023 Departmental Seminar

13.30-14.30 AWI room 00.010 Hannah Schildberg-Hörisch, Düsseldorf University

"The Right Timing Matters: Sensitive Periods in the

Formation of Socio-Emotional Skills"

(Host: Dietmar Fehr)

Wednesday, 10.5.2023 Internal Seminar

12.15-13.15

AWI room 00.010

Leanne Roncolato, Franklin & Marshall College, PA

"Trade Union Rights, Democracy and Trade"

(Host: Jörg Oechssler)

Abstracts

Departmental Seminar

Hannah Schildberg-Hörisch

"The Right Timing Matters: Sensitive Periods in the Formation of Socio-Emotional Skills"

We propose a novel approach to learn about sensitive periods in the formation of socio-emotional skills in which returns to investments into skills are especially high. In particular, we implement the same investment in different school grades and study grade-specific treatment effects on children's self-control, patience, and prosociality. Based on a randomized controlled trial with about 3,200 children in grades 2 to 5 of 135 elementary schools in Bangladesh, our results indicate sensitive periods in the formation of self-control and patience around the ages 7 and 8, while prosociality appears to be similarly malleable throughout ages 7 to 11.

Internal Seminar

Leanne Roncolato

"Trade Union Rights, Democracy and Trade"

The paper estimates the impact of freedom of association and collection bargaining (FACB) rights for workers and democracy on goods exports in a bilateral gravity trade model for the years 2000-2017 for a large sample (161 exporting and 209 importing) of countries. The paper uses the Freedom House democracy indicators along with new indicators of FACB rights (Kucera and Sari, 2019) defined according to ILO "fundamental" Conventions 87 and 98, based on the coding of nine publicly available textual sources (including six sources produced by the International Labour Organization and national legislation), and distinguishing between overall FACB rights and FACB rights in law and in practice. In baseline Poisson Pseudo-Maximum Likelihood (PPML) regressions for the full sample of countries, the paper finds statistically significant evidence at the aggregate level that stronger overall FACB rights and FACB rights in practice are associated with lower goods exports. These results are not robust, however, with respect to slight variations in the sample and no longer hold upon dropping either Japan or the U.S. as exporting countries. In regressions at the industry level, the paper finds no clear patterns with respect to the labor intensity of production. The paper considers several policy options that might overcome possible trade-offs between exports and compliance with FACB rights and labor standards more generally.

New Working Papers

Christoph K. Becker, Peter Duersch, and Thomas A. Eife: "Measuring Inflation Expectations: How the Response Scale Shapes Density Forecasts", *AWI Discussion Paper Series* No. 727, April 2023.