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AWI This Week

Monday, 30. 03. 09

Departmental Seminar

17.15-18.45

AWI 00.010

Melanie Arntz, ZEW Mannheim

"Can Public Employment Subsidies Render the German Construction Sector Weather Proof?"

Wednesday, 1. 4. 09

Internal Seminar

17.15-18.45

AWI 00.010

Jörg Oechssler

"Why Imitation is so Hard to Beat"

AWI is now at Bergheimer Straße 58 (building of the former Ludolf Krehl Klinik). Seminars are taking place in the left-hand part of the Campus, on the groundfloor.

Departmental Seminar

Melanie Arntz, ZEW Mannheim

"Can Public Employment Subsidies Render the German Construction Sector Weather Proof?" (joint with Ralf A. Wilke).

Both the US and Germany have a pronounced pattern of seasonal winter unemployment. In order to confine inefficient high levels of temporary layoffs, US firms are taxed - albeit incompletely - according to the unemployment insurance benefits claimed by their laid off workers. In contrast, German construction firms are not charged according to their layoff history and should thus have much higher layoff incentives. However, in case of a weather-induced shortfall of work, a firm's workforce is eligible for a partial subsidy to their employment costs. The level of this subsidy was subject to several reforms throughout the 1990s which provide a unique opportunity for examining the empirical link between layoff incentives and layoff rates. Our analysis is based on large individual administrative data merged with information about local weather conditions and the business cycle. We observe economically plausible effects: the higher the subsidy to employment costs, the less layoffs occur and the less weather-dependent is employment.

Internal Seminar

Jörg Oechssler

"Why Imitation is so Hard to Beat" (joint with Peter Duersch and Burkhard Schipper).

We show that there are quite general classes of symmetric games in which the simple decision rule "imitate-the-best" can not be beaten even by a dynamic relative payoff optimizer. These classes of games include all finite aggregative quasiconcave quasisubmodular games, Cournot oligopoly, rent seeking, public goods games, common pool resource games etc.

Talks and Research Visits

From April 2-5, Lars P. Feld is Program Committee Chairman of the European Public Choice Society Annual Meeting being held, in Athens and Member of the Program Committee for the Regional Meeting of the Mont Pèlerin Society on "The Market Economy in the Welfare State?" taking place in Stockholm from August 16-19.

On March 19-21, Lars P. Feld gave a lecture on "The Size of the Shadow Economy and Deterrence in Germany" at the Workshop Beyond the Economics of Crime", in Heidelberg.

On March 21, Christian Conrad presented his paper "Negative Volatility Spillovers in the Unrestricted ECCC-GARCH Model" at the Humboldt-Copenhagen Conference on Recent Developments in Financial Econometrics in Berlin.

Peter Dürsch visited the MPI in Jena from March 16-20, to conduct an experiment and present his paper "Taking punishment into your own hands: An experiment on the motivation underlying punishment" (joint with Julia Müller).

Jörg Oechssler was staying at the Universitat Autònoma de Barcelona March 17-19, giving a seminar at the Department of Business Economics: "On the Ingredients for Bubble Formation: Informed Traders and Communication."

Jürgen Eichberger was staying at the University of California, Santa Barbara, March 8-17, for research. Additionally, he was invited by the UCSB to give a lecture on the following topic: "Are the Treasures of Game Theory Ambiguous?"

Christiane Schwieren was invited to present her paper "Women Can't Jump? An Experiment on Competitive Attitudes and Stereotype Threat "at the BBL Seminar, University of Innsbruck on March 11, and at DIW-Berlin on March 18. At DIW she stayed as a visitor of Markus Grabka (SOEP) from March 17-19.

March 5-8, Lars P. Feld gave a lecture at the Annual Meeting of the Public Choice Society in Las Vegas on "Fiscal Federalism, Decentralization and Economic Growth: A Meta-Analysis" and Thushyanthan Baskaran on "The size of government and the political economy of decentralized spending".

March 5 and 6, Lars P. Feld took part at "A meta-study", Section Meeting Economics and Empirical Social Sciences of the German Academy of Sciences Leopoldina, at ETH Zurich.

Wendelin Schnedler participated in the Personnel Economic Colloquium in Vienna, March 3-5.

From February 2-13, Andreas Roider has visited the CESifo Institute at the University of Munich.

On January 21, Wendelin Schnedler gave a lecture at the Applied Micro and Organisation Seminar at the University of Frankfurt. His topic: "When are multiple tasks a problem? "

February 4, Lars P. Feld held a lecture at the State Ministry of Baden-Wurttemberg, Stuttgart on "Reforming the German Financial System".

New Publications

Hartmut Sangmeister: *Entwicklung und internationale Zusammenarbeit. Eine Einführung*. Nomos-Verlag, Baden-Baden (2009).

The paper *How to be an Ecological Economist* which Malte Faber presented as the invited opening lecture to the audience of the meeting of the European Society of Ecological Economics in Leipzig on June 5th , 2007 was published 2008 in Ecological Economics Vol. 66, No. 1: 1-8 (abstract: <http://de.scientificcommons.org/23856843>)

Jürgen Eichberger and David Kelsey, Ambiguity, in: Paul Anand, Prastanta Pattanaik, and Clemens Puppe, *The Handbook of Rational and Social Choice*, Oxford University Press, 2009.

Peter Dürsch, Albert Kolb, Jörg Oechssler, Burkhard Schipper: *Rage Against the Machines: How Subjects Learn to Play Against Computers*, *Economic Theory*, forthcoming.

Stefan Baumgärtner, Frank Jöst, Ralph Winkler, *Optimal dynamic scale and structure of a multi-pollution economy* in: *Ecological Economics*, 68 (2009) 1226-1238.

Frank Jöst, Michael Quaas: *Environmental and population externalities*, in: *Environment and Development Economics*, forthcoming.

Christoph A. Schaltegger and Lars P. Feld, *Do Large Cabinets Favor Large Governments?*, Evidence on the Fiscal Commons Problem for Swiss Cantons, *Journal of Public Economics* 93 (1-2), 2009, p. 35 - 47.

Lars P. Feld and Emmanuelle Reulier, *Strategic Tax Competition in Switzerland: Evidence from a Panel of the Swiss Can-tons*, *German Economic Review* 10 (1), 2009, p. 91 - 114.

Christoph A. Schaltegger and Lars P. Feld, *Are Fiscal Adjustments Less Successful in Decentralized Governments?*, *European Journal of Political Economy* 25 (1), 2009, p. 115 - 123.

Lars P. Feld, Justina Fischer and Gebhard Kirchgässner, *The Effect of Direct Democracy on Income Redistribution: Evidence for Switzerland*, in: *Economic Inquiry* 47, 2009.

J.B. Donges, J. Eekhoff, L.P. Feld, W. Franz, W. Möschel und M.J.M. Neumann (Kronberger Kreis), *Lehren der Finanzmarktkrise, Argumente zu Marktwirtschaft und Politik Nr. 106*, Januar 2009.

J.B. Donges, J. Eekhoff, L.P. Feld, W. Franz, W. Möschel und M.J.M. Neumann (Kronberger Kreis), *Was zu tun wäre, damit sich die Banken wieder trauen*, *Frankfurter Allgemeine Zeitung* Nr. 2 vom Samstag, 3. Januar 2009, S. 12.

Lars P. Feld and Jost H. Heckemeyer, *FDI and Taxation: A Meta-Study*, ZEW Discussion Paper No. 08-128, Dezember 2008; CESifo Working Paper No. 2540, Februar 2009.

Lars P. Feld und Gebhard Kirchgässner, *Wirkungen direkter Demokratie ? Was sagt die moderne politische Ökonomie?*, in: H.K. Heußner und O. Jung (eds.), *Mehr direkte Demokratie wagen? Volksentscheid und Bürgerentscheid: Geschichte ? Praxis ? Vorschläge*, 2. Auflage, Olzog, München 2009, S. 417 ? 430.

Lars P. Feld, *Tax Compliance*, in: G.T. Svendsen and G.L. Haase Svendsen (eds.), *Handbook of Social Capital: The Troika of Sociology, Political Science and Economics*, Edward Elgar, Cheltenham 2009.

Lars P. Feld and Bruno S. Frey, *Tax Evasion and the Psychological Tax Contract*, erscheint in: J. Alm, J. Maritz-Vazquez und B. Torgler (eds.), *Tax Compliance and Tax Evasion*, Routledge, London 2009.

T. Baskaran und Lars P. Feld, Zur Reform der deutschen Finanzverfassung, erscheint in: G.G. Schulze (ed.), Die wirtschaftlichen Probleme Deutschlands ? Wege aus der Krise, Schäffer-Poeschel, Stuttgart 2009.

Lars P. Feld, Do We Really Know Much about Tax Non-Compliance?, in: G. Brennan and G. Eusepi (eds.), Ethics and Economics, Edward Elgar, Cheltenham 2009.

Lars P. Feld, Zum zukünftigen Finanzrahmen der EU, in: K.A. Konrad und T. Lohse (eds.), Einnahmen- und Steuerpolitik in Europa, Peter Lang, Frankfurt et al. 2009.

Lars P. Feld: Scientific Advisory Board at the BMF (Federal Ministry of Finance), "Does Germany need further fiscal action to stabilize the economy?", letter to Federal Finance Minister Peer Steinbrück, Berlin, December 2008 (published January 12, 2009).

Miscellaneous

Wendelin Schnedler has been appointed Acting Professor of Economics at the Mannheim University, Department of Economics, Chair of Economic Theory.

On April 2, the gold medal of merit will be awarded to Hartmut Sangmeister by the Industrie- und Handelskammer Rhein-Neckar.

In March 2009 Andreas Roider has been admitted to the "Industrieökonomische Ausschuß" of the Verein für Socialpolitik.

Malte Faber was invited to participate in the two workshops "Rural Development against the Background of International Financial Crisis" and "Role of Systems, Institutions and Mechanism for the development of Eco-Economy in Transforming Economic Development Models" from February 21-22, in Haikou, Hainan Province, P. R. China, which were organised by the China Institute for Reform and Development (CIRD) and the British-General Consulate Guangzhou. He presented a paper with the title "Concepts and Theoretical Framework of Environmental Policy - An Ecological Economic Perspective".

With 80 Heidelberg university teachers, Wendelin Schnedler was awarded the certificate in university teaching of Baden-Württemberg. Due to the high quality of his teaching project, Schnedler was invited by the Pro-rector of the Heidelberg University to present his work to the academic audience.

New and Leaving Staff

On March 1, Alec Sproten has taken up a position as Ph.D. student (Neuroeconomics) at the AWI with Christiane Schwieren. He got his master degree in psychology at the University of Liège (Belgium).



In February Florian Wilken has started his work towards a Ph.D. in the researchgroup of Joerg Oechssler. He will focus on the experimental analysis of industrial organization topics.



On March 1, Christoph Lipponer has started his work towards a Ph.D. in the researchgroup of Andreas Irmen. He will focus on the experimental analysis of economic growth topics.



On Wednesday, April 1, there will be a regulars' table. We will meet at the main entrance of Campus Bergheim at 19:00 or in the Krokodil/Weststadt (<http://www.krokodil-hd.de/de/home/>). From now on there will be a regulars' table every first Wednesday of each month. So, save the date!

**Editorial deadline for issue 6/2009 of the newsletter:
Wednesday, April 1, 2009, 12 o'clock
newsletter@awi.uni-heidelberg.de**

If you would like to receive the newsletter by email,
please contact the address above