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AWI This Week

Monday, 9. 11. 09

17.15-18.45
AWI 00.010

Departmental Seminar

Athanassios Pitsoulis, BTU Cottbus

"Interpersonal Interaction in Electorates: Some Theory
and a Preliminary Empirical Application"

Wednesday, 11. 11. 09

17.15-18.45
AWI 00.010

Departmental Seminar

Johannes Münster, FU Berlin

"Information Sharing in Contests"

Abstracts

Departmental Seminars

Athanassios Pitsoulis

"Interpersonal Interaction in Electorates: Some Theory and a Preliminary Empirical Application"

The present paper offers a sociodynamic perspective on presidential approval and similar popularity-measures. I propose a model of collective attitude change based on interpersonal interaction which is inspired by epidemiological models. Approval and disapproval are modelled similar to diseases which are spread by the interaction between groups. By fitting the model to survey data an average probability of attitude change can be derived. A preliminary application shown is the rally round the flag effect after 9/11. The model is employed to predict the approval ratings of President George W. Bush using time-series data covering the periods from January 2001 until May 2002. While quantitatively Bush's popularity skyrocketed after 9/11 it appears that qualitatively Bush's popularity was negatively affected. "

Johannes Münster

"Information Sharing in Contests" *

We study the incentives to share private information ahead of contests, such as markets with promotional competition, procurement contests, or R&D. We consider the cases where firms have (i) independent values and (ii) common values of winning the contest. In both cases, when decisions to share information are made independently, sharing information is strictly dominated. With independent values, an industry-wide agreement to share information can arise in equilibrium. Expected effort is lower with than without information sharing. With common values, an industry-wide agreement to share information never arises in equilibrium. Expected effort is higher with than without information sharing.

*with Dan Kovenocky and Florian Morathz

New Publications

Balázs Cserna: *Elasticity of Variance and Jackknife Estimation of Short-Term Interest Rates, Review of Business* (accepted).

Christoph Vanberg: *Voting on a sharing norm in a dictator game, Journal of Economic Psychology* (accepted).

**Editorial deadline for issue 26/2009 of the newsletter:
Wednesday, November 11, 2009, 12 o'clock
newsletter@awi.uni-heidelberg.de**

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