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## AWI This Week

### Monday, 11. 1. 10

#### Departmental Seminar

17.15-18.45

Monika Bütler, University of St. Gallen

AWI 00.010

"Do means-tested benefits reduce the demand for annuities? Evidence from Switzerland"

### Wednesday, 13. 1. 10

#### Internal Seminar

17.15-18.45

Christoph Vanberg

AWI 00.010

"Group size and decision rules in multilateral bargaining"

### Departmental Seminar

Monika Bütler

"Do means-tested benefits reduce the demand for annuities? Evidence from Switzerland"

Most industrialized countries provide a subsistence level consumption floor in old age, usually in the form of means-tested benefits or income supplements. The availability of such means-tested payments may create an incentive to optimally cash out (occupational) pension wealth for low and middle income earners. We analyze optimal annuity demand and consumption/savings decisions in a realistic life-cycle model under a social security scheme in which means tested benefits can be claimed if income falls below a certain subsistence level. The model is calibrated to the Swiss case and the resulting predictions compared to the observed annuitization rates in Swiss pension funds. We show that the predicted annuitization rates are roughly consistent with the cash out patterns observed in Switzerland.

### Internal Seminar

Christoph Vanberg

"Group size and decision rules in multilateral bargaining"\*

We conduct experiments to investigate the effects of decision rules on bargaining outcomes in small and large groups. In particular, we investigate the effects of different majority requirements on delay (number of bargaining rounds needed to reach agreement) and measures of "fairness" (inclusiveness of coalitions, equality of the distribution).

\*with Luis Miller

## New Publications

Hartmut Sangmeister: "La perspectiva económica de la integración en América del Sur", in: Armin von Bogdandy/César Landa Arroyo/Mariela Morales Antoniazzi (Hrsg.), Integración suramericana a través del Derecho? Un análisis interdisciplinario y multifocal, Madrid: Centro de Estudios Políticos y Constitucionales 2009, S. 115-124.

Hans Diefenbacher und Roland Zieschank: "Der Nationale Wohlfahrtsindex als Beitrag zur Debatte um Wachstum und Wohlfahrtsmaße", in: Wirtschaftsdienst – Zeitschrift für Wirtschaftspolitik, 89. Jg., Heft 12, 2009, 787 – 792

## Miscellaneous

In January 2010, a **new research project** funded by the DFG (German Research Foundation) will commence at the AWI's Research Center for Environmental Economics. Titled "Disaggregating the Motivational Microstructure of Individual Willingness-to-Pay for Climate Protection", the project will shed light on the role and mutual interaction of different contribution motives driving citizens' willingness-to-pay for climate protection. Johannes Diederich and Timo Goeschl, researchers on the project, will combine theory and experimental methods in the field and in the lab to learn more about the determinants of people's willingness to contribute to this global public good.

**Editorial deadline for issue 2/2010 of the newsletter:  
Wednesday, January 13, 2010, 12 o'clock  
[newsletter@awi.uni-heidelberg.de](mailto:newsletter@awi.uni-heidelberg.de)**

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