



ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN  
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## AWI This Week

### **Monday, 25. 10. 10**

### **Departmental Seminar**

17.15-18.45

Jayant Vivek Ganguli, University of Cambridge

AWI 00.010

"The Pricing Effects of Ambiguous Information"

### **Wednesday, 27.10.10**

### **Internal Seminar**

17.15-18.45

Johanna Kühnel

AWI 00.010

"Population Aging, Government Spending, and  
Endogenous Economic Growth in Politico-Economic  
Equilibrium"

## Abstracts

### Internal Seminar

Johanna Kühnel

"Population Aging, Government Spending, and Endogenous Economic Growth in Politico-Economic Equilibrium"

This paper introduces a democratic voting process into an OLG economy in order to analyze the effects of a rising old-age dependency ratio on the composition of government spending and endogenous economic growth. Forward-looking agents vote each period on the public policy mix between productive government expenditure and public consumption spending that benefits the elderly. Population aging shifts political power from the young to the old. While this does not affect public productive expenditure, it leads to an increase in public spending for the elderly, and a slowdown in economic growth. However, the overall effect on long-term economic growth is positive. This is due to reduced capital dilution or increased saving.

## Jour Fixe

The AWI JOUR FIXE takes place at the Lounge on a weekly basis on Mondays from 16:30 till 17:15 (i.e., just before the departmental seminar). There you will have the opportunity to meet the speaker, enjoy a coffee, and exchange news and discuss research with other members of the AWI.

## Talks and Research Visits

**Christian Conrad** presented his paper "Non-linear Taylor rules" (jointly with Michael J. Lamla and Kyusang Yu) at the 30th Conference of the Centre for International Research on Economic Tendency Surveys in New York, October 13-16.

## Miscellaneous

We are very happy to announce that Professor **Axel Dreher** (University of Göttingen) has accepted an offer of a W3-professorship in International Economic Policy at the Alfred-Weber-Institute. He will take up the position in spring 2011. The position was previously held by Professor Oskar Gans.

**Editorial deadline for issue 23/2010 of the newsletter:  
Wednesday, October 27, 2010, 12 o'clock  
newsletter@awi.uni-heidelberg.de**

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