



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

### **Wednesday, 14. 4. 10      Internal Seminar**

17.15-18.45

Andreas Roider

AWI 00.010

"Moral Hazard, One-Sided Commitment, and Endogenous Outside Options"

### Internal Seminar

Andreas Roider

"Moral Hazard, One-Sided Commitment, and Endogenous Outside Options"

We investigate a moral hazard model with one-sided commitment. That is, after effort provision, the agent is free to either stay with the principal or to leave and pursue his (ex-post) outside option, the value of which is increasing in effort. Optimal contracts have interesting properties. In particular, depending on parameters, they might entail first-best effort incentives, nonresponsiveness to underlying parameters, or inefficient separation. Moreover, the agent might suffer from a ceteris paribus improvement of his outside option.

### Talks and Research Visits

**Jan Schnellenbach** gave a talk on "Structural change and the institutions of fiscal federalism: a comparative study", CESifo, Munich, March 22 and a talk on "Creative Destruction and Fiscal Institutions", at the Royal Economic Society in Guildford (UK), March 30.

**Jean-Philippe Lefort** presented a paper on "Unambiguous events and dynamic Choquet preferences" at the "Conférence de la SMAI sur l'optimisation et la décision" organized by the University of Limoges, March 24-26 and "A dynamic Ellsberg urn experiment" at the University of Poitiers, March 25.

**Sarah Necker** presented her paper "Coping with the Crime Shock of Opening the Iron Curtain - Evidence from a German state" at the Annual Meeting of the Public Choice Society in Monterey, March 11-14.

During his sabbatical at Melbourne University from August 2009 until March 2010, **Jörg Oechssler** gave the following talks:

"Unbeatable Imitation", University of Melbourne, University of Queensland, Australian National University, Monash University, La Trobe University.

"Mandatory Sick Pay Provision: A Labor Market Experiment", University of New South Wales, University of Melbourne, Queensland University of Technology, the 4th Australian Workshop on Experimental Economics at the University of Canterbury, the ESA Asia-Pacific Meeting 2010 in Melbourne.

**Andreas Roider** has visited the CES institute at LMU Munich from February 19-27.

**Andrea Leuermann** presented her paper „Intergenerational Transmission of Risk Attitudes - A Revealed Preference Approach" (joint with Sarah Necker) at the University of St. Gallen on February 11.

**Lars P. Feld** presented his most recent survey study, conducted jointly with Friedrich Schneider (University of Linz, Austria) and Thushyanthan Baskaran (University of Heidelberg), on Tax Non-Compliance, Deterrence and Social Norms for Germany at a conference entitled „Guter Staat – böse Bürger? Schattenwirtschaft und

Steuerhinterziehung' organized by Stiftung Marktwirtschaft in the Deutsche Bundestag, Berlin; his presentation had the title *Hase und Igel bei der Steuerhinterziehung – Wirkt die staatliche Abschreckung?*, January 18.

**Lars P. Feld** attended the VI<sup>th</sup> Christmas Meeting of the German Economists Abroad at the University of Heidelberg, presenting his paper *Semper aliquid haeret? Undeclared Work, Deterrence and Social Norms in Germany*. from December 21 – 22, 2009.

**Lars P. Feld** commented on a paper by *Don Ross* with the title *Should the Financial Crisis Inspire Normative Revision?* at a conference jointly organized by the Max-Planck-Institute for Economics Jena and the Walter-Eucken-Institut Freiburg on 'New Frontiers in Normative Economics and Policy Advice', held in Freiburg (Germany), December 11, 2009.

**Lars P. Feld**, gave a talk on *Steuerwettbewerb: Is Good for the Public Gender What Is Good for the Private Goose?* at the University of Luzern, Luzern (Switzerland), December 3, 2009.

**Lars P. Feld** gave a talk on *Ökonomische Perspektiven für eine nachhaltige Haushalts- und Finanzpolitik* at a Colloquium of the Bertelsmann Stiftung, Staatsfinanzen in der Krise: "Wer zahlt wann die Zeche? ", Berlin, November 26, 2009.

## New Publications

Jörg Oechsler: *"Imitation and the Evolution of Walrasian Behavior: Theoretically Fragile but Behaviorally Robust"*, forthcoming *Journal of Economic Theory* (with Jose Apesteguia, Steffen Huck, and Simon Weidenholzer).

Lars P. Feld, Peter M. Huber, Otmar Jung, Christian Welzel and Fabian Wittreck, eds., *Jahrbuch für direkte Demokratie, Band 1, 2009*, Nomos, Baden-Baden, forthcoming in: February 2010.

Juergen B. Donges, Johann Eekhoff, Lars P. Feld, Wernhard Möschel and Manfred J.M. Neumann (Kronberger Kreis), *Mehr Mut zum Neuanfang*, Schriftenreihe Band 51, Stiftung Marktwirtschaft, Berlin, January 2010.

Lars P. Feld and Friedrich Schneider, Survey on the Shadow Economy and Undeclared Work in OECD Countries, forthcoming in: *German Economic Review* 11 (2), 2010.

Juergen B. Donges, Johann Eekhoff, Lars P. Feld, Wernhard Möschel and Manfred J.M. Neumann (Kronberger Kreis), *Beschäftigung gering qualifizierter Arbeitsloser*, Schriftenreihe Band 50, Stiftung Marktwirtschaft, Berlin, December 2009.

Jan Schnellenbach, Lars P. Feld and Christoph A. Schaltegger, The Impact of Referendums on the Centralisation of Public Goods Provision: A Political Economy Approach, *Economics of Governance* 11 (1), 2010, 3 – 26.

Lars P. Feld, Do We Really Know Much about Tax Non-Compliance?, in: Geoffrey Brennan and Giuseppe Eusepi (eds.), *The Economics of Ethics and the Ethics of Economics: Values, Markets and the State*, Edward Elgar, Cheltenham 2009, 145-160.

Lars P. Feld and Friedrich Heinemann, eds., *The Future and Past of European Union Finances*, Special Issue of *Public Finance and Management* 9 (4), 2009.

## Miscellaneous

The new website of the AWI's experimental lab, "AWI Lab" is now up and running at <http://www.awi.uni-heidelberg.de/lab>. As of now, students can also register to take part in (paid) experiments either via the lab website link or by navigating directly to the recruitment database: <http://orsee.awi.uni-heidelberg.de/orsee>.

## New and Leaving Staff

On March 1, Andreas Lindenblatt has taken up a position as Ph.D. student (International Trade) at the AWI with Switgard Feuerstein. He got his Diploma in February 2010 at the University of Heidelberg.



In March Andrew Isaak started his work towards a Ph.D. in the research group of Christiane Schwieren. He will focus on Neuroeconomics.



**Editorial deadline for issue 6/2010 of the newsletter:  
Wednesday, April 14, 2010, 12 o'clock  
[newsletter@awi.uni-heidelberg.de](mailto:newsletter@awi.uni-heidelberg.de)**

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please contact the address above.