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Upcoming Seminars

Monday, 1.2.2016

Economics and Politics Seminar

17.15-18.15

AWI 00.010

Vardges Levonyan, ETH Zürich

"What Led to the Ban on Same-Sex Marriage in California?: Structural Estimation of Voting Data on Proposition 8"

Tuesday, 2.2.2016

Departmental Seminar

13.45-14.45

AWI 01.030

Klarita Gërxhani, EUI, Florence, Italy

(invited by Christiane Schwieren)

"Status Anxiety Makes Women Underperform"

Wednesday, 3.2.2016

Internal Seminar

12.15-13.15

AWI 00.010

Marta Curto

"Party Discipline and Government Spending: Theory and Evidence"

Economics and Politics Seminar

Vardges Levonyan

"What Led to the Ban on Same-Sex Marriage in California?: Structural Estimation of Voting Data on Proposition 8"

The voting literature has largely analyzed voter turnout and voter behavior separately, with a focus on individual election outcomes. This is in spite of the fact that multiple elections are on one ballot, and turnout is determined by participation in all elections. I present a model of voter turnout and behavior in multiple elections. The assumptions are consistent with individual election preferences and decision is derived from utility maximization. I also provide necessary moment conditions for identification. The framework is applied to analyze turnout and voting choices in the 2008 California elections for the US presidential election and Proposition 8 ballot initiative. The exit polls and initial election results made national headlines by linking the historic turnout of African-Americans for Presidential candidate Obama in helping pass Proposition 8. I structurally estimate the demographic preferences for each of the election choices. I find that the African-American turnout and voting share for Proposition 8 was lower than predicted by the exit polls. As a counterfactual, I use the estimated model to look at the turnout and outcome of Proposition 8, without the presidential race on the ballot. As predicted by the model and estimates, I find lower voter turnout that are on par with midterm elections. I also find a lower share of Yes votes on Proposition 8 – enough that the referendum would not have passed.

Departmental Seminar

Klarita Gërxhani

"Status Anxiety Makes Women Underperform"

Competition typically involves two main dimensions, a rivalry for resources and the ranking of relative performances. If socially recognized, the latter yields a ranking in terms of social status. The rivalry of resources resulting from interacting under a competitive incentive scheme has been found to negatively affect women's performance relative to that of men. However, little is known about gender differences in the performance consequences of status ranking. We find that in anticipation of ranking women perform more poorly than men while there is no performance difference without status ranking. This is important because recent studies argue that women may be underrepresented in top positions because they shy away from –and sometimes underperform under– competition. It has been argued that adapting the institutions under which competition takes place could improve women's position. Our results suggest that increased participation in competitive environments could harm women's labor market success along a different channel. We thus highlight an overlooked impediment for workplace promotion of women that may have major implications for the design of labor market competitions.

Internal Seminar

Marta Curto

"Party Discipline and Government Spending: Theory and Evidence"*

Political parties value highly the commitment of their members with their party line as internal cohesion helps them build reputation. Excessive party discipline at the individual level is, however, electorally costly and, thus, in some instances legislators may be reluctant to vote in agreement with their party. In this paper we examine theoretically and empirically the possibility, that party leaders systematically use distributive spending to reward discipline within their party. Our model predicts larger expenditures towards districts represented by loyal party members. Most importantly, this effect is bigger in districts where legislators face a higher conflict of interest. We test these hypotheses using U.S. data on the geographical distribution of discretionary spending from the federal government to congressional districts as well as a measure of party loyalty of legislators in the House of Representatives.

*with Galina Zudenkov

Talks and Research Visits

Karin Loch and Christian Conrad participated in the final conference on "Rebalancing the Eurozone, towards a new economic future" of the RAstaNEWS project in Milan, January 28-29. Karin Loch presented the paper "Macroeconomic expectations and the time-varying stock-bond correlation: international evidence" (joint with Christian Conrad).

Christina Gathmann presented the paper "Where Do Policy Innovations Come from? Theory and Evidence from the U.S. Welfare Reform" at the Public Economics Research Seminar of LMU Munich on January 25, and the paper "Access to Citizenship and the Social Integration of Immigrants" at the ifo CEMIR Seminar/Ifo Institute, Munich, January 26.

Timo Goeschl presented the paper "Trust, But Verify?" at the Séminaire Cournot of the BETA research unit at Strasbourg University, January 8.

Timo Goeschl presented the paper "Group Size and the (In)efficiency of Pure Public Goods Provision" at the Research Seminar on Environment, Resource and Climate Economics of TU Berlin, December 18.

New Publications

Sara Kettner and Israel Waichman: "Old age and prosocial behavior: Social preferences or experimental confounds?", *The Journal of Economic Psychology*, forthcoming.

Miscellaneous

Karin Loch and Christian Conrad received funding from the "Mobilitätsprogramm" of Heidelberg University for the project on "The effects of macroeconomic news on the term structure of VIX Futures". The project is in collaboration with Torben G. Andersen from Northwestern University and involves a research stay of Karin from March to June 2016.

Christina Gathmann was selected into the Scientific Program Committee for the next European Economic Association Meeting (EEA).

New and Leaving Staff

Daniel Heyen will leave the Research Center for Environmental Economics at the end of January to take up the position of a DFG-funded Postdoctoral Fellow at the Grantham Research Institute on Climate Change and the Environment at the London School of Economics.

Jonas Dovern is leaving the AWI for the time between February and September 2016. During this time he serves as a temporary professor of macroeconomics at the RWTH Aachen University.

The next issue will be published in April 2016.

**Editorial deadline for issue 5/2016 of the newsletter:
Wednesday, April 6, 2016, 12 p.m.
newsletter@awi.uni-heidelberg.de**

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please contact the address above.