



ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN
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Upcoming Seminars

Monday, 9.5.2016

Departmental Seminar

17.15-18.15

AWI 00.010

Ed Hopkins, University of Edinburgh

(invited by Jörg Oechssler)

"Lone Wolf or Herd Animal? An Experiment on
Choice of Information and Social Learning"

Tuesday, 10.5.2016

Economics and Politics Seminar

13.45-14.45

AWI 01.030

Christina Schneider, University of California

"The Electoral Politics of the European Union"

Departmental Seminar

Ed Hopkins

"Lone Wolf or Herd Animal?

An Experiment on Choice of Information and Social Learning"

We report on an experiment that uses revealed preference to distinguish between rational social learning and behavioural bias. Subjects must choose between receiving a private signal or observing the past guesses of other subjects before guessing the state of the world. The design varies the persistence of the state across time. This changes whether choosing social or private information is optimal. We can therefore separate subjects who choose optimally from both those who excessively use social information ("herd animals") and those with excessive use of private information ("lone wolves"). While aggregate behaviour appears unbiased, this is because the numbers of lone wolves and herd animals are approximately equal.

Economics and Politics Seminar

Christina Schneider

"The Electoral Politics of the European Union"

This paper analyzes the electoral politics of the European Union. Contrary to common wisdom, I argue that the integration of policies in areas that affect everyday life has increased incentives of EU governments to shift electoral politics into the European arena. National elections can affect both the unilateral and collective bargaining behavior of EU governments in the European Union. First, I analyze how domestic elections affect EU governments' foreign policies towards the EU (that is, their unilateral bargaining behavior within the EU), and how it affects the bargaining dynamics in the EU (that is, their collective bargaining behavior within the EU) in order to shed more light on the conditions under which national elections allow governments to either influence negotiation outcomes or to defer negotiation outcomes until after the election. Second, I analyze the effect of EU decision-making on domestic support for EU governments. I test the theory using data on legislative decision-making in the European Union and public approval of domestic incumbent governments. I find that collective bargaining strategies and outcomes depend on national elections, and that voters' approval of incumbent governments depends on their competence in European negotiations.

Talks and Research Visits

Jürgen Eichberger presented the paper "Equilibrium under Ambiguity (EUA) for Belief Functions" at the Technical University Dortmund, on May 2, 2016.

Vera Eichenauer presented her paper "What Determines Earmarked Funding to International Development Organizations? Evidence from the New Multi-bi Aid Dataset" on April 29 at the Workshop *Public Opinion and Foreign Aid: Methodology and Policy Perspectives* at the University of Essex, and **Axel Dreher** participated as a discussant.

New Publications

Dreher, A., Eichenauer, V.Z. and K. Gehring (2016). "Geopolitics, Aid and Growth". World Bank Economic Review, forthcoming.

Miscellaneous

VoxEU column by Stefan Trautmann and Gijs van de Kuilen on the measurement of economic expectations: 'Truth serums': Measuring people's expectations in economic surveys (24 April 2016).

Malte Faber was appointed to the Scientific Advisory Board of the exhibition society to prepare the Karl Marx 200th Anniversary 2018 in Trier, by the Minister of Education, Science and Culture of Rheinland-Pfalz.

**Editorial deadline for issue 09/2016 of the newsletter:
Wednesday, May 11, 2016, 12 p.m.
newsletter@awi.uni-heidelberg.de**

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please contact the address above.