



ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN
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Upcoming Seminars

Monday, 25.7.2016

Departmental Seminar

17.15-18.15

AWI 00.010

Kai Konrad, MPI for Tax Law and Public Finance

(invited by Joerg Oechssler)

"Eternal Peace in the Tug of War"

Wednesday, 27.7.2016

Internal Seminar

12.15-13.15

AWI 00.010

Anna Merkel

"Legislative Bargaining with Heterogeneous Claims"

Departmental Seminar

Kai Konrad

"Eternal Peace in the Tug of War"

The tug-of-war between single players is known to have a non-cooperative Markov-perfect equilibrium in which both players expend zero efforts and neither drives the Markov process to one of the terminal states. We show that these peaceful outcomes vanish if the single players are replaced by teams with team members permanently assigned to the different Markov-states and interacting pairwise in an all-pay contest. The reason for this phenomenon is that members of teams can externalize future effort costs while single players cannot.

*with Samuel Häfner

Internal Seminar

Anna Merkel

"Legislative Bargaining with Heterogeneous Claims"

We study a multilateral bargaining game in which a group of individuals has the opportunity to divide a surplus among its members. In contrast to the previous literature, we design an experiment in which the surplus to be divided is the result of individual contributions from a real effort task. Previous evidence suggests that individuals derive subjective claims over the surplus that reflect their contributions. Using a Baron-Ferejohn game, we experimentally investigate how those claims affect the proposed divisions of the surplus, voting behavior as well as the incidence of costly delay under unanimity and majority rule. According to a recent theory by Miller, Montero and Vanberg (2016) we may expect that individuals who demand higher shares of the surplus receive higher offers under unanimity rule, but are more often excluded from minimum winning coalitions formed under majority rule as they are expensive coalition partners. In line with the first hypothesis, we find that under unanimity rule, proposed divisions of the surplus strongly reflect the members' relative contributions to the surplus. Contrary to the second hypothesis, we find that individuals with high claims are more likely to be included in coalitions formed under majority rule and offered more conditional on being a coalition member. In addition, group members with higher claims are more likely to propose minimum winning coalitions compared to members with smaller claims.

Talks and Research Visits

Christian König presents a poster on his paper "Good decision vs. good results: Outcome bias in the evaluation of financial agents" (with Monique Pollmann, Jan Potters and Stefan Trautmann) as part of the 10th Kiel Institute Summer School on Education, Preferences, and Economic Outcomes and the 2nd Social and Biological Roots of Economics Workshop (SBREW-2016), Kiel, July 25-30.

Andreas Reichmann will present "Conditional Contribution Mechanisms for the Provision of Public Goods - Theory and Experimental Evidence" at the *GAMES 2016*, Maastricht, July 24-28, at the *ESEM 2016*, Geneva, August 22-26 and at the *Jahrestagung des Vereins für Sozialpolitik*, Augsburg, September 4-9.

At the *Maastricht Games 2016 conference*, 24-28 July 2016, **Jürgen Eichberger** will present the paper "Equilibrium under Ambiguity (EUA) for Belief Functions" (joint with Adam Dominiak), and **Jonas Hedlund** will present his paper "Bayesian persuasion by a privately informed sender".

Malte Faber has been invited to give a workshop on "Marx and the critique of the political economy (Capital)" at the 2016 Summer School in Political theory, Groznjan, Croatia, July 15-20, sponsored by the faculty of Political Science, University of Zagreb.

Andreas Fuchs and **Vera Eichenauer** presented the paper "The Effectiveness of Emergency Aid from Outer Space" at the workshop "Geospatial Analysis of Disaster, Measuring Welfare Impacts of Emergency Relief", IWH Symposium Heidelberg, July 18-19.

Jonas Dovern presented his paper "How Well Anchored are Long-run Inflation Expectations in the Euro Area?" at the Research Seminar in Economics at RWTH Aachen University on July 5, 2016.

Timo Goeschl presented the paper "Natural Hazards, Public Insurance, and Private Self-Insurance: Total Crowding out in Emergency Drinking Water" at the 22nd Annual Conference of the European Association of Environmental and Resource Economists in Zurich, June 23.

Visitors

Rafael Llorca Vivero, invited by Axel Dreher, will stay at the AWI (room 01.012a) from August 5-September 4. Check out his webpage [here](#).

John Stranlund, University of Massachusetts – Amherst, will be visiting the AWI from late August to around Christmas. John works on environmental economics, experimental economics, and on compliance and enforcement. Check out his webpage [here](#). John will be based at the Research Center for Environmental Economics, Bergheimer Straße 20. He'll introduce himself with a research talk in the department seminar series on October 31.

New Publications

Christoph Vanberg: "Who never tells a lie?" has been accepted at *Experimental Economics*.

Christoph Vanberg and James Tremewan: "The dynamics of coalition formation: a multilateral bargaining experiment with free timing of moves" has been accepted at the *Journal of Economic Behavior and Organization*.

Miscellaneous

Israel Waichman will leave the AWI for the time between August 2016 and July 2017. During this time he will serve as an interim professor at Bard College Berlin.

Lennart Kaplan and Katharina Richert will go to Indonesia from July 23rd until October 10th to do field research on the impact of Safe Childbirth Checklists on the quality of care and birth outcomes -evaluated in a randomized controlled trial.

New and Leaving Staff

Johannes Lohse has accepted the offer of a lectureship in the Economics Department at the University of Birmingham. He will leave our institute at the end of August to take up the new post.

Florian Diekert, University of Oslo, will be joining the AWI (Bergheimer Str. 20) over the summer as Junior Professor and ERC Starting Grant holder. Florian conducts behavioral research in the area of common property resource economics. Check out the project web page [here](#).



A beautiful summer vacation for all of you!

**Editorial deadline for issue 20/2016 of the newsletter:
Wednesday, October 12, 2016, 12 p.m.
newsletter@awi.uni-heidelberg.de**

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please contact the address above.