



ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN
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Upcoming Seminars

Monday, 15.1.2018

Departmental Seminar

13.30-14.30

AWI 00.010

Jordi Brandts, Barcelona GSE

(invited by Gert Pönitzsch)

"Status-Ranking Aversion"

Tuesday, 16.1.2018

Economics and Politics Seminar

13.45-14.45

AWI 01.030

Aderonke Osikominu, Universität Hohenheim

"Leadership at School and the Formation of Character Skills"

Wednesday, 17.1.2018

Internal Seminar

12.15-13.15

AWI 00.010

Florian Diekert

"How scarcity affects borrowing decisions in groups"

Wednesday, 17.1.2018

Macro & Econometrics Seminar

14.00-15.00

AWI 01.030

Johannes Brumm, KIT

"Re-use of Colateral: Leverage, Volatility, and Welfare"

Departmental Seminar

Jordi Brandts

"Status-Ranking Aversion"

Competition involves two dimensions, rivalry for resources and status-ranking. Our experiment isolates the effects of the latter. Participants do a task under non-rivalry incentives. Before doing so, individuals indicate whether they choose an environment with social-status ranking or one without. When a man does a ranking that is imposed on all others, women choose status-ranking less frequently than men. There is no gender difference with a female ranker. This finding complements the established result that women are averse to competing under rivalry for resources, in a qualified way. Women also exhibit status-ranking aversion, but only when ranked by a man.

*with Klarita Gërxhani and Arthur Schram

Economics and Politics Seminar

Aderonke Osikominu

"Leadership at School and the Formation of Character Skills"

Recent research suggests that leadership experiences during school time are positively associated with later educational and labor market outcomes. So far little is known about the mechanisms behind these early leadership premia. This paper investigate whether the engagement as class representative affects the formation of character skills in adolescents. The empirical analysis exploits data from the German Socio-Economic Panel Study, providing a large, nationally representative sample with detailed information on behavioral measures, including the Big Five personality traits. We address the selectivity of engagement as class representative with a flexible estimation strategy that combines propensity score matching and regression. We use different tests to check the plausibility our empirical strategy and to examine the robustness of our results to potential remaining selection on unobservables. Our findings are in line with the hypothesis that leadership experience during school time positively affects the development of character skills.

*with Stephanie Briel Dank für Ihre Unterstützung.

Internal Seminar

Florian Diekert

"How scarcity affects borrowing decisions in groups"*

When the means to an end are scarce, decisions makers focus their attention, using available resources most effectively. However, this increased focus comes at a cost. Decision makers lose oversight and neglect important but less pressing long-term projects. They borrow too much and overall performance decreases as a consequence. Until now, this research has concentrated on individual decision makers. We study

how scarcity affects borrowing decisions in groups. We replicate the experiment of Shah et al (2012) and give participants a large or a small time budget to fulfill a task, using amazon mechanical turk. We cross these treatments with whether participants have a joint or individual time pool (that is, whether they can borrow from their partner or not).

*with Kjell Arne Brekke

Macro & Econometrics Seminar

Johannes Brumm

"Re-use of Colateral: Leverage, Volatility, and Welfare"*

Das Abstract: "We use a calibrated, infinite-horizon asset-pricing model with heterogeneous agents to assess the quantitative implications of re-use of collateral on financial market leverage and volatility. In our model, the ability of agents to re-use frees up collateral that can be used to back more transactions. Re-use of collateral is found to contribute to the build-up of leverage in the financial system and significantly increases volatility in financial markets. When introducing limits on re-use, we find that volatility is strictly decreasing with the tightness of the limits, while their impact on welfare is hump-shaped. Thus, our analysis provides a rationale for limiting, yet not banning, re-use of collateral.

*with Michael Grill, Felix Kubler und Karl Schmedders

Talks and Research Visits

Jonas Dovert presented the paper "Recessions and Potential Output Estimates: Disentangling Measurement Errors, Supply Shocks, and Hysteresis Effects" in the Nuremberg Research Seminar in Economics (December 13, 2017) and at the CFE in London (December 18, 2017).

Miscellaneous

Zeno Enders chaired the defense committee of Benedikt Kolb, a Ph.D. student at the EUI, Florence, December 19.

**Editorial deadline for issue 03/2018 of the newsletter:
Wednesday, January 17, 2018, 12 p.m.
newsletter@awi.uni-heidelberg.de**

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