



## Upcoming Seminars

### Monday, 18.7.2022

### Departmental Seminar

13.30-14.30  
AWI room 00.010

Alex Imas, Chicago Booth  
"Systemic Discrimination: Theory and Measurement"  
(host: Dietmar Fehr)

### Wednesday, 20.7.2022

### Internal Seminar

12.15-13.15  
AWI room 00.010

Santiago Gomez  
"Evidence on Public Transport Subsidies Effects in Large  
Urban Agglomerations of Developing Contexts"

## Abstracts

### Departmental Seminar

Alex Imas

"Systemic Discrimination: Theory and Measurement"\*

Economics tends to define and measure discrimination as disparities stemming from the direct (causal) effects of protected group membership. But work in other fields notes that such measures are incomplete, as they can miss important systemic (i.e. indirect) channels. For example, racial disparities in criminal records due to discrimination in policing can lead to disparate outcomes for equally-qualified job applicants despite a race-neutral hiring rule. We develop new tools for modeling and measuring both direct and systemic forms of discrimination. We define systemic discrimination as emerging from group-based differences in non-group characteristics, conditional on a measure of individual qualification. We formalize sources of systemic discrimination as disparities in signaling technologies and opportunities for skill development. Notably, standard tools for measuring direct discrimination, such as audit or correspondence studies, cannot detect systemic discrimination. We propose a

measure of systemic discrimination based on a novel decomposition of total discrimination —disparities that condition on underlying qualification— into direct and systemic components. This decomposition highlights the type of data needed to measure systemic discrimination and guides identification strategies in both observational and (quasi-)experimental data. We illustrate these tools in two hiring experiments. Our findings highlight how discrimination in one domain, due to either accurate beliefs or bias, can drive persistent disparities through systemic channels even when direct discrimination is eliminated.

\*with Aislinn Bohren and Peter Hull

## **Internal Seminar**

Santiago Gomez


"Evidence on Public Transport Subsidies Effects in Large Urban Agglomerations of Developing Contexts"\*

City transportation has negative externalities such as CO2 emissions, air pollution, and traffic congestion that can be reduced by transferring users from private to mass public transport systems. Additionally, governments want to reduce travel costs for low-income users. These are especially pressing issues in large urban agglomerations in developing contexts. In this paper, we provide evidence on alternative subsidy policies for public transport. We implemented an intervention among public transport users in Bogotá (Colombia) providing a monetary transfer to their personalized transport cards corresponding to approx. 40% of their average monthly public transportation budget. We find an increase in the number of travels of 6.8%. This implies a marginal propensity to consume (MPC) out of the transferred resources of 0.36. This is higher than the proportion of resources that users in the sample destine for public transport (0.18). We also find that most additional trips occur during the two weeks following a monetary transfer event. A fitting explanation of the users' behaviour is the presence of a mental account bias, under which users do not identify as equivalent to a cash transfer the transfer made to their cards. This led to the overconsumption of public transport. This opens the possibility of creating policy interventions that exploit this mental account bias to increase the relative use of public transport.

\*with Luis A. Guzmán and Jorge L. Ochoa

## **Talks and Research visits**

**Anne Opschoor** is beginning a short research visit until 28th of July hosted by Christian Conrad. Anne Opschoor is Associate Professor of Finance at Vrije Universiteit Amsterdam. His research interests include (but are not limited to) financial econometrics, time series econometrics, risk management, volatility modeling, copulas and Bayesian econometrics. For more information, please visit his website [here](#), or drop by his office (AWI 01.023).



**Sebastian Ebert** presented his paper "On Taking A Skewed Risk More than Once" at the *IRISK Workshop on decision-making under risk and uncertainty*, at IÉSEG Lille, Lille Campus, France, July 7-8.

**Jürgen Eichberger** attended the conference "Risk, Uncertainty and Decision (RUD 2022)" and chaired the session in honour of David Schmeidler, Paris School of Economics, June 30-July 2. There he also attended the conference "Decision: Theory, Experiments and Applications (D-TEA 2022: Complexity)" where his paper "Cases and States" (co-authored by Ani Guerdjikova) was presented, July 3-5.

Editorial deadline for issue 17/2022 of the newsletter:  
Wednesday, July 20, 2022, 12 p.m.  
[newsletter@awi.uni-heidelberg.de](mailto:newsletter@awi.uni-heidelberg.de)