



Internal Seminars

TIME:

Wednesday, February 10, 12.15-13.15 h

PLACE:

Virtual seminar room

Andis Sofianos

"Intelligence Disclosure in Repeated Interactions"*

We investigate how revealing information on the ability of one's partner affects behaviour in games of repeated interactions. We reveal the cognitive ability of one's partner in three different games and investigate how players use this information. In the Prisoners' Dilemma, disclosure hampers cooperation in the early stages. This is driven by subjects of higher intelligence trying to take advantage of the less intelligent when IQ scores are disclosed. Something similar happens in the Battle of Sexes with low payoff inequality. Disclosure disrupts coordination as higher intelligence players try to force their most preferred outcome onto the less intelligent. However, in the BoS with high payoff inequality this pattern of behaviour dramatically changes. When payoff differences are higher, coordination becomes generally more difficult and higher intelligence subjects tend to push their preferred choice less often to assist coordination. Thus, in the BoS with high inequality the effect of disclosure on coordination and payoffs becomes positive on aggregate.

*with Marco Lambrecht, Eugenio Proto & Aldo Rustichini

Talks and Research Visits

Christian Conrad presented the paper "Modelling Volatility Cycles: the $(MF)^2$ GARCH model" (joint with Robert Engle, Stern School of Business) in the Finance Research Seminar at IESEG School of Management, Lille, January 21.

New Working Papers

Johannes Diederich, Raphael Epperson, and Timo Goeschl: "How to Design the Ask? Funding Units vs. Giving Money", AWI Discussion Paper Series no. 698, January 2021.

New Publications

Angelika J. Budjan and Andreas Fuchs: "Democracy and Aid Donorship", *American Economic Journal: Economic Policy*, forthcoming (find paper [here](#)).

Miscellaneous

Baby Boomers

A happy ending of the year 2020 surely was given to Timo Dimitriadis who announced the birth of his twins Keano and Maila, born December 30, and to David Vespermann being father now of the baby girl Lara, born December 3. Congrats!

Editorial deadline for issue 4/2021 of the newsletter:
Wednesday, February 17, 2021.
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