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AWI This Week

Monday, 1.7.13

Departmental Seminar

17.15-18.45

Sigrid Suetens,
Tilburg School of Economics and Management

AWI 00.010

"Heterogeneous stake-sensitive guilt aversion"

Tuesday, 2.7.13

Economics a & Politics Seminar

14.15-15.15

Jale Tosun,
University of Heidelberg and Mannheim Centre
for European Social Research (MZES)

AWI 02.036

"Cultural Pathways to Economic Self-Sufficiency
and Entrepreneurship: Family Values and Youth
Unemployment in Europe (CUPESSSE) "

Departmental Seminar

Sigrid Suetens

"Heterogeneous stake-sensitive guilt aversion"

Guilt aversion can play an important role in economic exchanges impeded by moral hazard and incomplete contracts, and to understand its influence on economic exchanges it is essential to gain insights into the incentive effects on the distribution of guilt sensitivities. We present an experimental design to measure guilt aversion at the individual level for various stake sizes and estimate a structural choice model allowing amongst others for stake-sensitive and stake-insensitive guilt aversion. We find substantial heterogeneity of guilt sensitivities across players. We also find that, in general, stake-sensitive players have a higher guilt sensitivity than stake-insensitive players, and that the guilt sensitivity of stake-sensitive players decreases with stake size. Finally, we show that our measure of guilt aversion correlates well with a measure for guilt proneness used by psychologists but and so with other emotional dispositions.

Economics & Politics Seminar

Jale Tosun

"Cultural Pathways to Economic Self-Sufficiency and Entrepreneurship: Family Values and Youth Unemployment in Europe (CUPESSSE)"

The multi-disciplinary CUPESSSE project carries out a comparative analysis of both the demand and supply side of youth unemployment in ten Member States of the EU and Associated Countries (i.e. Austria, Czech Republic, Denmark, Germany, Hungary, Italy, Spain, Switzerland, Turkey, and the United Kingdom). These ten countries represent the main empirical scope of the project, but whenever possible, the analysis is extended to include all European countries. CUPESSSE has five main objectives. The first objective is to obtain a more refined understanding of the supply side of young adults' employment by concentrating on how the inter-generational accumulation of social capital and cultural capital in the context of family organisation influences the economic self-sufficiency and entrepreneurship of young people in Europe. The second objective is to examine how supply-side factors and demand-side factors affect the unemployment of young adults. In this context we are particularly interested in the degree to which the attitudes and skills of young adults match with employers' demands. The third objective is to understand the implications of young adults' unemployment in the longer term, including the effects on the unemployed individuals and on society as a whole. The fourth objective is to investigate the degree to which flexicurity policies, policies supporting business start-ups and self-employment, and policies promoting education and training platforms are embraced by the European states and to assess their impacts on young adults' unemployment. The fifth objective of the CUPESSSE project is to present ideas for new policy measures and formulate strategy for overcoming youth unemployment in Europe. To attain this goal, the project brings together theoretical perspectives and methodological approaches from four academic disciplines, namely economics, political science, psychology, and sociology.

Talks and Research Visits

At the Annual Conference of the Research Committee on Development Economics of the German Economic Association, Munich, June 21-22, **Christine Binzel** presented her paper "Education, Social Mobility and Religious Movements: A Theory of the Islamic Revival in Egypt"; **Vera Eichenauer** presented the joint paper with **Axel Dreher** (who also participated) and Kai Gehring: "Geopolitics, Aid and Growth".

Miscellaneous

Nicolás Corona Juárez, PhD student at the chair of Axel Dreher, has successfully defended his doctoral thesis on "Essays on The Economics of Crime in Mexico", June 18.

Sebastian Voigt, PhD student of Andreas Löschel at the ZEW, has successfully defended his doctoral thesis on "The Impact of Environmental Policy on Economic Indicators. Moving from Global to Sectoral and Regional Perspectives", June 10.

**Editorial deadline for issue 18/2013 of the newsletter:
Wednesday, July 3, 2013, 12 o'clock
newsletter@awi.uni-heidelberg.de**

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please contact the address above.