



ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN
BERGHEIMER STR. 58, 69115 HEIDELBERG, TEL. 06221/54-2941, FAX: 06221/54-3592
REDAKTION: FREYA SCHADT, EMAIL: NEWSLETTER@AWI.UNI-HEIDELBERG.DE

Upcoming Seminars

Monday, 15.6.15

Departmental Seminar

17.15-18.30

(60 min plus discussion)

AWI 00.010

Paul Smeets, Maastricht University,

invited by Stefan Trautmann,

"Why do investors hold socially responsible mutual funds?"

Wednesday, 17.6.15

Internal Seminar

12.15-13.15

AWI 00.010

Vera Angelova, Technische Universität Berlin,

invited by Christiane Schwieren,

"Do voluntary payments, competition, and reputation
reduce cheating in an experimental sender-receiver game?"

Wednesday, 17.6.15

Macro & Econometrics Seminar

15.00-16.00

AWI 00.010

Thomas Eife and Isadora Kirchmaier

"A Ricardian Model of the Dutch Disease"

Departmental Seminar

Paul Smeets

"Why do investors hold socially responsible mutual funds?"

We investigate why investors hold socially responsible (SRI) mutual funds. We use administrative investor data and link them to behavior in controlled experiments and survey responses. We find that intrinsic social preferences play an important role in the decision of investors to hold socially responsible mutual funds. Investors who are more generous in an incentivized experiment are more likely to hold an SRI fund and invest a larger fraction of their portfolio in SRI funds. Our results also suggest that selfish investors hold SRI funds for social signaling reasons, as they more often talk about their investments to others. Moreover, we find that SRI is a complement rather than a substitute for donations to charity. Socially responsible investors donate a larger sum of money than conventional investors.

Internal Seminar

Vera Angelova

"Do voluntary payments, competition, and reputation reduce cheating in an experimental sender-receiver-game?"

Interactions characterized by asymmetric information and opposed interests of players are often prone to cheating and inefficient outcomes: think of expert-client relationships in the domains of, e.g., financial advice, health care, car repair services. Which factors could induce experts to provide better advice? In an experimental sender-receiver game we add competition among senders (advisors) and/or the possibility for them to build reputations, and/or the possibility for receivers (clients) to make a voluntary bonus payment after observing message (advice) quality. We measure the effects of competition, reputation, bonus, and the interactions between them on the rates of truthful advice. Bonus alone and reputation alone do not increase the rates of truthful advice, but we observe strong positive effects of the interactions between bonus and competition or reputation. Competition alone, as well as competition and reputation together also significantly increase truth-telling.

Talks and Research Visits

Marta Curto presented the paper "Does electoral competition curb party favoritism?" (joint with A.Solé-Ollé and P.Sorribas-Navarro) at an invited seminar at the University of Konstanz, June 2.

Daniel Heyen joined the Solar Geoengineering Research Residency at Harvard University, May 25-June 5.

New Publications

Christian Becker, Dieter Ewringmann, Malte Faber, Thomas Petersen, Angelika Zahrt: *Endangering the natural basis of life is unjust: On the status and future of the sustainability discourse* in *Ethics, Policy & Environment*, 2015, Vol. 18, No 1: 60-67.

Miscellaneous

Jürgen Eichberger visited RUD conference at Bocconi University, Italy, June 2. He took part as a member of the *Jaffray lecture* committee, which singles out an outstanding paper by young researcher(s) for presentation at RUD. The 2015 *Jaffray lecture* has been attributed to the paper: "Dynamic consistency and subjective beliefs" by Spyros Galanis, presented at Bocconi, June 2.

**Editorial deadline for issue 15/2015 of the newsletter:
Wednesday, June 17, 2015, 12 o'clock
newsletter@awi.uni-heidelberg.de**

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