

Newsletter 22/2015

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, 26.10.15 Departmental Seminar

17.15-18.15 Sebastian Krautheim, University of Passau

AWI 00.010 (invited by Zeno Enders)

"Offshoring with Endogenous NGO Activism"

Wednesday, 28.10.15 Internal Seminar

12.15-13.15 Thomas Eife

AWI 00.010 "A Measure of Productivity Spillovers"

Wednesday, 28.10.15 Macro & Econometrics Seminar

17.00-18.00 Jonas Dovern

AWI **01.034** "Robust Density Evaluation for High-Dimensional Systems"

Abstracts

Departmental Seminar

"Offshoring with Endogenous NGO Activism"*

Sebastian Krautheim

The process of globalization is characterized by an impressive growth of global value chains, as well as the proliferation of non-governmental organizations (NGOs) interacting with multinational firms. This paper presents a model of offshoring and NGO-firm interactions in which offshoring to a low-regulation country allows a monopolist to implement a "dirty" technology undesired by consumers. Consumers can reduce the incentive for dirty production by financing an NGO monitoring therm. NGO emergence and offshoring can arise as joint and interacting outcomes. For a range of trade costs, NGO emergence allows firms to capture gains from globalization, which would otherwise be unattainable. Somewhat paradoxically, NGO emergence can be at the expense of consumers possibly leading to welfare losses through offshoring.

*with Thierry Verdier

Internal Seminar

Thomas Eife

"A Measure of Productivity Spillovers"*

We propose a novel measure of industry-specific productivity spillovers. We divide productivity into two parts that are orthogonal to each other. The first part reflects by how much an industry's productivity is explained by spillovers from related industries. The second part is a country and industry-specific residual. The spillovers account for almost all variation in productivities we observe. The residual is, nonetheless, informative and explains to a large extend countries' stages of development. The network spanned by the spillovers has several central nodes (industries) that richer countries tend to use more efficiently.

*with Isadora Kirchmaier

Talks and Research Visits

At the 62nd Economic Policy Panel, held at the Banque Central de Luxembourg on October 16-17, **Timo Goeschl** acted as panel discussant for "Climate Policy" by J. Hassler, P. Krusell, and J. Nycander.

Zeno Enders presented the paper "Growth expectations, undue optimism, and short-run fluctuations" at the Frankfurt-Mannheim Macro Workshop at the Goethe University in Frankfurt/Main, October 16.

Michael Schleicher presented the paper "Targeted Health Insurance for the Poor: Evidence from Burkina Faso" at the 10th annual conference of the Poverty Reduction, Equity and Growth Network (PEGNet), Berlin, October 8-12.

Axel Dreher gave a presentation on "Who controls the IMF?" at the 4th Annual Greek Public Policy Forum, Kiani Beach Resort, Chania, Greece, October 9-10.

Timo Goeschl presented the paper "Trust But Verify?" at the Economics Department Seminar of Nanyang Technical University, Singapore, September 11, and the paper "The Price Elasticity of Pro-Environmental Behavior" at the lunchtime seminar series at the Lee Kuan Yew School of Public Policy, National University of Singapore, September 10.

New Publications

The paper "The Climate Policy Hold-Up: Green Technologies, Intellectual Property Rights, and the Abatement Incentives of International Agreements" by Timo Goeschl and Grischa Perino (Hamburg University of Hamburg) has been accepted for publication in the Scandinavian Journal of Economics.

Miscellaneous

Christoph Schineller is the new IT-Officer/Coordinator of the AWI. He is supported by Christoph Schlomach and the <u>EDP-Team</u>, who all like to answer questions or solve problems concerning the IT. The office (room 00.016) is staffed Monday to Friday, 10-16 h.

Michael Schleicher was awarded a scholarship by the *University Meets Microfinance* (UMM) network for conducting fieldwork in Burkina Faso in June 2015. The current UMM newsletter (October 2015) features an article on this field research. For further information, see http://issuu.com/emfp/docs/emfp autumn2015 newsletter issuu/16

Editorial deadline for issue 23/2015 of the newsletter: Wednesday, October 28, 2015, 12 p.m. newsletter@awi.uni-heidelberg.de

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