



Fachbereich VWL / Department of Economics

EconNewsletter

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DECEMBER 7 – DECEMBER 11, 2015

NEWSLETTER 2015-27

SEMINAR CALENDAR

HCHE Research Seminar

Prof. Dorte Gyrd-Hansen, University of Southern Denmark:
*Studying the relation between present bias, health and health
related behaviours*

Monday December 7
16:30–18:00
R. 4011 (Esplanade 36)

Forschungsseminar “Quantitative Wirtschaftsforschung“

Britta Gehrke, FAU Erlangen-Nürnberg and IAB:
Fiscal Rules and Unemployment

Tuesday December 8
12:15–13:45
R. 0029 (VMP 5)

Forschungsseminar “Environmental Economics and Management“

Frank Jotzo, The Australian National University:
*Australia's climate policy and energy transition:
a rollercoaster ride*

Wednesday December 9
12:00–14:00
R. 0029 (VMP 5)

Hamburg Lectures on Law & Economics

Vera Eichenauer, Ruprecht-Karls-Universität Heidelberg:
*'Bilateralizing' Multilateral Aid? The Allocation of
World Bank Trust Funds*

Wednesday December 9
18:15–19:45
R. 1083a (VMP 5)

PhD Seminar

Marc-André Luik, University of Hamburg:
Early-life health and adult financial behavior

Thursday December 10
12:15–13:15
R. 0029 (VMP 5)

Research Seminar “Microeconomics”

Uwe Sunde, LMU München:
*Prevalence and Determinants of Choice Bracketing:
Experimental Evidence*

Thursday December 10
17:00–19:00
R. 0029 (VMP 5)

Research Seminar “Labour Economics”

- no seminar -

ABSTRACTS

Forschungsseminar “Quantitative Wirtschaftsforschung“

Britta Gehrke, FAU Erlangen-Nürnberg and IAB:

Fiscal Rules and Unemployment

Abstract:

This paper analyzes fiscal policy under fiscal rules in a New Keynesian model with search and matching frictions and distortionary taxation. The model is estimated with US data including detailed information on fiscal instruments. Several findings stand out. First, fiscal rules enhance the positive effects of discretionary fiscal policy on output and unemployment if they influence the expected future path of interest rates. However, effects are smaller as suggested in the existing literature. Second, spending and consumption tax cuts have the largest multipliers. Third, multipliers for labor tax cuts are small. These results originate from the labor market friction and persist in an economy where the friction is more severe. Demand side disturbances explain the majority of labor market dynamics.

Forschungsseminar “Environmental Economics and Management“

Frank Jotzo, The Australian National University:

Australia's climate policy and energy transition: a rollercoaster ride

Abstract:

Australia’s climate change policy has been through radical changes, with governments strongly committed to climate action followed by another which abolished carbon pricing and dismantled other aspects of climate policy. Under the present government it is expected that Australia will display a forward looking stance on climate policy. Australia’s 2030 emissions target will require significant effort. Australia has an inherent interest in strong global climate change action but also a large coal endowment. It is also blessed with practically unlimited low-cost potential for renewable energy. The challenge is how to facilitate the transition from the energy and carbon intensive structures of the past. Transition from coal to renewables for power supply is getting underway, and there is also great potential for improved energy efficiency throughout the economy. Questions of economic policy and regulatory reform loom large. Insights from Germany’s energy transition are relevant, and aspects of Australia’s coming energy transition could be interesting to Germany.

Hamburg Lectures on Law & Economics

Vera Eichenauer, Ruprecht-Karls-Universität Heidelberg:

'Bilateralizing' Multilateral Aid? The Allocation of World Bank Trust Funds

Abstract:

We investigate the effects of short-term political motivations on the effectiveness of foreign aid. Specifically, we test whether the effect of aid on economic growth is reduced by the share of years a country has served on the United Nations Security Council (UNSC) in the period the aid has been committed, which provides quasi-random variation in aid. Our results show that the effect of aid on growth is significantly lower when aid has been committed during a country's tenure on the UNSC. We derive two conclusions from this. First, short-term political favoritism reduces the effectiveness of aid. Second, results of studies using political interest variables as instruments for overall aid arguably estimate the effect of politically motivated aid and thus a lower bound for the effect of all aid.

Research Seminar "Microeconomics"

Uwe Sunde, LMU München:

Prevalence and Determinants of Choice Bracketing: Experimental Evidence

Abstract:

This paper presents novel evidence for the prevalence and the determinants of choice bracketing in strategic environments. If a two-stage pairwise elimination contest is presented in a "separate reward" frame, where stage-1 winners receive an immediate material reward, decision makers tend to bracket narrowly by choosing stage-1 and stage-2 investment separately. By contrast, in a payoff-equivalent "integrated reward" frame, where the only apparent reward on stage 1 is the right to participate in stage 2, decision makers appear to bracket broadly. Disaggregate data analysis and the results of control treatments provide no support for alternative explanations and suggest that narrow bracketing is related to cognitive capacity limitation and the complexity of the decision environment.

ACTIVITIES OF DEPARTMENT MEMBERS

Miscellaneous

- On Thursday, December 10, Prof. Jürgen Kädtler (SOFI, Göttingen) gives a speech on "Finanzmärkte und 'Finanzmarktöffentlichkeit aus Perspektive der Konventionenökonomik'" His presentation is part of the lecture series „Wirtschafts- und Finanzkrisen aus pluraler Perspektive“, organized by the student's initiative „Arbeitskreis Plurale Ökonomik“ and starts 6.15 p.m. at ESA B (Edmund-Siemers-Allee 1). For more information please click the link below:
<http://www.plurale-oekonomik-hamburg.de/index.php/category/ringvorlesung-2016/>

The next EconNewsletter will be published on Monday, December 14, 2015.

Editorial deadline: Friday, December 11, 2015.

EconNewsletter

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