



Fachbereich VWL / Department of Economics

EconNewsletter

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JUNE 12 – JUNE 16, 2017

NEWSLETTER 2017-14

SEMINAR CALENDAR

Research Seminar “Labour Economics”

Richard Frensch, IOS & Universität Regensburg:
Trade patterns, rules of law and labor market institutions

Monday June 12
16:30-18:00
R. 0029 (VMP 5)

Forschungsseminar “Quantitative Wirtschaftsforschung“

Roland Winkler, Universität Dortmund:
Fiscal Policy and Occupational Employment Dynamics

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

Hamburg Lectures on Law & Economics

Prof. Dr. James R. Hollyer, University of Minnesota:
*Why do Autocrats Disclose? Economic Transparency and
Inter-Elite Politics in the Shadow of Mass Unrest*

Wednesday June 14
18:15–19:45
R. 1083a (VMP 5)

Research Seminar “Microeconomics”

Dirk Engelmann, HU Berlin:
Winner's and Loser's Curse in Single-Unit and Multi-Unit Auctions

Thursday June 15
17:15–18:45
R. 0029 (VMP 5)

PhD Seminar

- no seminar -

Forschungsseminar “Environmental Economics and Management“

- no seminar -

HCHE Research Seminar

- no seminar -

Sollten Sie Interesse haben, sich mit einem/r der Vortragenden zu treffen, wenden Sie sich bitte an den entsprechenden Veranstalter. Weitere Infos finden Sie auf unserer Homepage: <https://www.wiso.uni-hamburg.de/fachbereich-vwl/forschung/forschungsseminare.html>

ABSTRACTS

Research Seminar “Labour Economics”

Richard Frensch, IOS & Universität Regensburg:

Trade patterns, rules of law and labor market institutions

Abstract:

We examine how exogenous variation in countries' trade patterns influences the quality of institutions. For that, we propose a novel way to measure institutional intensity of exports at the goods level based on nearly 100 million disaggregated bilateral trade flows around the globe.

First, our results confirm and strengthen Levchenko (2013) in that countries exporting more Rule-of-Law intensive goods exhibit a higher quality of the Rule of Law. Second, differentiating trade flows on the use side, we confirm the prior of a special effect from specialization and trade in fragmented goods (to proxy for product(ion) complexity) on the quality of the Rule of Law. However, we also find that simple geographically pre-determined openness matters for the Rule of Law. In consequence, results motivate extensions to hold-up and incomplete contracts foundations of trade theory explanations to why we observe differences in legal institutional quality across countries.

Third, extending the analysis to labor market institutions, we find support for two hypotheses that link labor market rigidity (LMR) to the concept of Rule of Law: we find a negative *cet. par.* impact from RoL-intensity, in particular within the fragmented goods category, on LMR. Within the framework of hold-up and incomplete contracts foundations, this appears to motivate an institutional trade-off when opening up an economy to foreign competition: to avoid losing all rents to foreign producers, labor in complex production relationships faces the choice to either lobby for higher quality of the Rule of Law or for lower degree of labor market regulation. Finally "effective labor market rigidity" appears to be a relevant concept: exporting more effective LMR intensive goods exhibit more rigid effective LMR.

Forschungsseminar “Quantitative Wirtschaftsforschung“

Roland Winkler, Universität Dortmund:

Sunset time and the health effects of social jetlag. Evidence from US time zone borders

Abstract:

We document substantial heterogeneity in occupational employment dynamics in response to government spending shocks. Employment rises most strongly in service, sales, and office (“pink-collar”) occupations. By contrast, employment in blue-collar occupations is hardly affected by fiscal stimulus which is striking in light of its strong exposure to the cycle and its long-run decline due to technical change and globalization. We provide evidence that occupation-specific changes in labor demand are key to understand these findings and develop a business-cycle model that explains the heterogeneous occupational employment dynamics as a consequence of differences in the short-run substitutability between labor and capital services across occupations.

Hamburg Lectures on Law & Economics

Prof. Dr. James R. Hollyer, University of Minnesota:

Why do Autocrats Disclose? Economic Transparency and Inter-Elite Politics in the Shadow of Mass Unrest

Abstract:

Autocratic governments hold a preference for opacity. Autocracies are less transparent than democracies and a closed informational environment preserves autocratic regimes from popular opposition. Yet, autocracies vary widely in the extent to which they disclose economic information. In this paper, we offer an explanation for why some autocrats choose to disclose. We contend that, paradoxically, autocratic leaders may benefit from increasing the mobilizational capacity of the populace. In so-doing, autocratic leaders may threaten rival members of the elite, reducing the risk of elite challenges and increasing their freedom of maneuver. We contend that transparency acts as one mechanism toward these ends. We formalize these intuitions and demonstrate empirically that leaders in transparent autocracies suffer a reduced hazard of removal via coup relative to their opaque counterparts. Moreover, personalistic dictators and entrenched autocrats – who suffer the smallest risk of sanctioning by their regime – are particularly unlikely to disclose information.

ACTIVITIES OF DEPARTMENT MEMBERS

New Publications

- Schumann, M. (2017) The effects of minimum wages on firm-financed apprenticeship training, forthcoming in: Labour Economics, doi: <http://dx.doi.org/10.1016/j.labeco.2017.05.002>.
- Gerber, A. and Rohde, Kirsten I. M. (2017) "Weighted Temporal Utility," in Economic Theory, doi:10.1007/s00199-017-1058-8.

Miscellaneous

- Ab September 2017 wird Frau Linxu Zhu (Qingdao) das Lehrstuhl-Team von Professor Michael Funke als neue Doktorandin verstärken. Frau Zhu wird im Sommer das 2-jährige MSc. in Economics – Programm der Universität Bonn abschließen. Für die anschließende Promotion hat Frau Zhu vom „China Scholarship Council“ in Beijing (<http://en.csc.edu.cn/>) ein 4-jähriges PhD-Stipendium für eine von Professor Michael Funke betreute Promotion am Fachbereich VWL der UHH bewilligt bekommen.

*The next EconNewsletter will be published on **Monday June 19, 2017.***

*Editorial deadline: **Friday, June 16, 2017.***

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