Fachbereich VWL / Department of Economics

EconNewsletter

Editorial Contact: Michael Paetz
tel: +49 40 42838-5561; e-mail: econ.newsletter.Wiso@uni-hamburg.de

JULY 8 – JULY 12, 2019

SEMINAR CALENDAR

Forschungsseminar “Quantitative Wirtschaftsforschung“
Wenying Yao, Deakin Business School:
Testing the Rank of Cojumps in High-Dimensional Financial Data with Market Microstructure Noise
Tuesday July 9
12:15–13:45
R. 0029 (VMP 5)

PhD Seminar
Florian Schütze, University of Hamburg:
Forecasting Industrial Production in Germany using Uncertainty
Thursday July 11
12:15–13:15
R. 0029 (VMP 5)

Research Seminar “Microeconomics“
Thomas Graeber, Harvard University:
Internal Uncertainty and Behavioral Weighting Functions
Thursday July 11
17:15–18:45
R. 0029 (VMP 5)

Research Seminar “Labour Economics“
- no seminar -

HCHE Research Seminar
- no seminar -

Hamburg Lectures on Law & Economics
- no seminar -

Environmental and Development Economics
- 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

PhD Seminar
Florian Schütze, University of Hamburg:
Forecasting Industrial Production in Germany using Uncertainty

Abstract:
This paper conducts a forecast comparison to test if there is an advantage in using uncertainty measurements for directional, point and density forecasts of industrial production in Germany up to 12 month ahead. For this purpose, three different uncertainty proxies and 73 other real economy time series normally used for this objective are incorporated. The results indicate that models incorporating uncertainty are suited for this task and are performance wise among the best 10 percent of all models.

Research Seminar “Microeconomics”
Thomas Graeber, Harvard University:
Internal Uncertainty and Behavioral Weighting Functions

Abstract:
Inverse S-shaped weighting functions famously pervade research in behavioral economics, including the probability weighting function in choice under risk, a weighting function in choice under ambiguity, and non-linear response patterns in both laboratory belief updating tasks and survey expectations. This paper proposes that all of these seemingly-disparate behavioral phenomena are generated by internal uncertainty: people’s meta-cognitive awareness that they do not know how to be rational, which induces them to shrink their beliefs and behavior towards a simple ignorance prior. We introduce a new experimental measurement of internal uncertainty and show that individuals with higher internal uncertainty exhibit more pronounced behavioral weighting functions in each of decision-making under risk or ambiguity, belief updating, and survey expectations. Exogenous manipulations of both internal uncertainty and people’s ignorance prior provide causal evidence for the role of internal uncertainty in economic choice.

The next EconNewsletter will be published on Monday, July 15, 2019.

Editorial deadline: Friday, July 12, 2019.

EconNewsletter
Department of Economics
University of Hamburg
Von-Melle-Park 5, 20146 Hamburg

To un/subscribe from/to this newsletter, please send an e-mail to econ.newsletter.Wiso@uni-hamburg.de