

FAKULTÄT FÜR WIRTSCHAFTS- UND SOZIALWISSENSCHAFTEN

# **Fachbereich VWL / Department of Economics**

# EconNewsletter

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# **OCTOBER 21 – OCTOBER 25, 2019**

# NEWSLETTER 2019-21

# SEMINAR CALENDAR

**Research Seminar "Labour Economics"** & HCHE Research Seminar

Stefan Bauernschuster, Universität Passau: Bismarck's Health Insurance and the Mortality Decline

# **Environmental and Development Economics**

Michael Jakob & Jan Christoph Steckel, MCC Berlin: Understanding Different Perspectives on Economic Growth and Climate Policy

# Hamburg Lectures on Law & Economics

Prof. Sigrid Suetens, Tilburg University: Behavior and attitudes towards ethnic minorities: Evidence from the Netherlands

## **PhD Seminar**

Nada Maamoun, University of Hamburg: *IEAs and compliance: do treaty linkages play a role?* 

## **Research Seminar "Microeconomics"**

Matias Laryczower, Princeton University: *Collective Hold-up* 

Monday October 21 16:30-18:00 Esplanade 36, R. 4011/13

Wednesday October 23 12:15–13:45 WiWi 0079 (VMP 5)

Wednesday October 23 18:15–19:45 R. 110, Johnsallee 35

Thursday October 24 12:15–13:15 WiWi 2095/2197 (VMP 5)

Thursday October 24 17:15–18:45 Raum S 28 (VMP 9)

## Forschungsseminar "Quantitative Wirtschaftsforschung"

- no seminar -

# ABSTRACTS

#### **Research Seminar "Labour Economics"** & HCHE Research Seminar

Stefan Bauernschuster, Universität Passau: Bismarck's Health Insurance and the Mortality Decline

#### Abstract:

We study the impact of social health insurance on mortality. Using the introduction of compulsory health insurance in the German Empire in 1884 as a natural experiment, we estimate flexible difference-in-differences models exploiting variation in eligibility for insurance across occupations. Our findings suggest that Bismarck's health insurance generated a significant mortality reduction. Despite the absence of antibiotics and most vaccines, we find the results to be largely driven by a decline of deaths from infectious diseases. We present evidence suggesting that the decline is associated with access to health services but not sick pay. This finding may be explained by insurance fund physicians transmitting new knowledge on infectious disease prevention.

#### **Environmental and Development Economics**

Michael Jakob & Jan Christoph Steckel, MCC Berlin: Understanding Different Perspectives on Economic Growth and Climate Policy

#### Abstract:

Should economic growth continue in a world threatened by the prospect of catastrophic climate change? The scientific and public debate has brought forth a broad spectrum of views and narratives on this question, ranging from neo-classical economics to degrowth. We argue that different positions can be attributed to underlying differences in views on (i) factors that determine human well-being, (ii) the feasibility and desirability of economic growth, (iii) appropriate intervention points, and (iv) preferences about governance and policy options. For each of these dimensions, we propose points of agreement on which a consensus between conflicting positions might be achieved. From this basis we distill a sustainability transition perspective that could act as a basis for a renewed debate on how to align human well-being with environmental sustainability.

#### Hamburg Lectures on Law & Economics

Prof. Sigrid Suetens, Tilburg University: Behavior and attitudes towards ethnic minorities: Evidence from the Netherlands

#### Abstract:

About 15% of the population in the Netherlands and other European countries have a non-Western background (e.g. first and second generation immigrants) and the percentage will increase in the near future. Ethnic minorities are more likely to be at risk of poverty, are more likely to be unemployed, and, if employed, earn substantially less than natives or have a job for which they are overqualified. Research has shown that discrimination, referring to differential treatment of others under ceteris paribus conditions, may be one of the factors that underlies the achievement gap. A major question for policy makers and scientists is how discrimination can be overcome. In the presentation a summary will be given of three papers that provide information that helps answering this question. The first paper reports the results of a controlled experiment that studies whether discrimination stems at least in part from preferences ('tastes'). The second and third paper report the results of respectively a randomized controlled trial and panel regressions with individual fixed effects that study whether personal contact with ethnic minorities can overcome discrimination.

#### **PhD Seminar**

Nada Maamoun, University of Hamburg: *IEAs and compliance: do treaty linkages play a role?* 

#### Abstract:

International environmental agreements (IEAs) usually address cross-border public good, therefore they are faced with free-riding problems. Generally, the incentives of states to comply with such treaties are low as the benefits of compliance do not always outweigh the cost. Literature has pointed towards the importance of these IEAs to be designed in a way such that they are self enforcing, that is, only the internal treaty characteristics matter for compliance. While in theory self-enforcing contracts for international environment problems are possible, the empirical literature has shown that states are not willing/able to institutionalize these kind of treaty characteristics (e.g. with a strong enforcing mechanism). There are several ways to incentivize compliance such as introducing monitoring mechanisms, capacity building mechanisms or through linking IEAs to other treaties. The aim of this paper is to dig deeper into the association of using such mechanisms and in specific interest as these interactions are of some controversy in the international legal scholarship. In a first step, the interactions between IEAs and other international law regimes is examined, in particular whether they reenforce or conflict with each other. In a second step a tentative empirical analysis sheds light on the relationship between treaty linkages and the compliance rate with the treaty. Data is on the treaty level.

# **Research Seminar "Microeconomics"** Matias Laryczower, Princeton University: *Collective Hold-up*

#### Abstract:

We consider dynamic processes of coalition formation in which a principal bargains sequentially with a group of agents. This problem is at the core of a variety of applications in economics and politics, including a lobbyist seeking to pass a bill, an entrepreneur setting up a start-up, or a firm seeking the approval of corrupt bureaucrats. We show that when the principal's willingness to pay is high, strengthening the bargaining position of the agents generates delay and reduces agents' welfare. This occurs in spite of the lack of informational asymmetries or discriminatory offers. When this collective action problem is severe enough, agents prefer to give up considerable bargaining power in favor of the principal.

# The <u>next EconNewsletter</u> will be published on Monday, October 28, 2019. <u>Editorial deadline</u>: Friday, October 25, 2019.

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