



Fachbereich VWL / Department of Economics

EconNewsletter

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JUNE 8 – JUNE 12, 2020

NEWSLETTER 2020-11

SEMINAR CALENDAR

All seminars listed below will be held virtually this semester.

HCHE Research Seminar

[Prof. Dr. Daniel Wiesen, Universität zu Köln:](#)

Monday June 8

Altruism in medicine: First evidence from an experimental panel study

12:15–13:30

Zoom-Link for the online seminar:

<https://uni-hamburg.zoom.us/j/95292609920>

Quantitative Economics

[Giang Nghiem, Leibniz Universität Hannover:](#)

Tuesday June 9

Depressed Demand

12:15–13:30

Please register via the following link:

<https://uni-hamburg.zoom.us/meeting/register/tJYucu2rqj8tGNWr9oMgGntPoPvsSHmmyVtQ>

PhD Seminar

[Piero Basaglia, Hamburg University:](#)

Thursday June 11

Carbon Pricing, Compensation, and Competitiveness:

12:15–13:15

Lessons from UK Manufacturing

Please register via the following link:

<https://uni-hamburg.zoom.us/meeting/register/tJMof-yupzMjHNxOCshFUDnn3qXcqQiQXTdJ>

All other seminars are cancelled until further notice.

If you are interested in meeting with one of the speakers, please contact the respective organizer. Further information can be found on our homepage:

<https://www.wiso.uni-hamburg.de/fachbereich-vwl/forschung/forschungsseminare.html>

ABSTRACTS

Quantitative Economics

Giang Nghiem, Leibniz Universität Hannover:

Depressed Demand

Abstract:

Using a survey of Dutch households, we find that individuals who have experienced higher national unemployment rates over their lifetime save more and borrow less, after controlling for aggregate shocks, income, wealth, and demographics. These results are consistent with experience-based learning and inconsistent with rational learning. Furthermore, these individuals find it more important to save for retirement and are more worried about losing their job. These observations suggest that periods of high unemployment depress aggregate demand because of persistently more pessimistic beliefs.

PhD Seminar

Piero Basaglia, Hamburg University:

Carbon Pricing, Compensation, and Competitiveness: Lessons from UK Manufacturing

Abstract:

Carbon pricing is often paired with transfers to energy-intensive firms to offset higher costs, for example through free emission permit allocation or through rebates for higher electricity prices. While such schemes are intended to limit competitive disadvantage and carbon leakage, they may at the same time attenuate the carbon price signal. This paper explores the potential trade-off between incentivizing abatement and protecting domestic industry, by studying the impacts of carbon pricing on UK manufacturing. Specifically, we focus on the indirect impacts of carbon pricing via higher electricity prices and examine how these effects are mediated through compensation schemes. The UK climate policy landscape offers an ideal setting as electricity prices reflect relative high carbon costs induced by a number of policies, including a UK carbon tax that more than tripled the costs of power sector emissions. By exploiting idiosyncrasies in the eligibility for compensation for the indirect costs induced by these policies, we are able to examine the effects of carbon pricing with and without compensation schemes in place. Using plant-level data for the period 2009-2016, and controlling for plant-specific characteristics and industrial trends, we can recover causal estimates of the regulation on a number of outcome variables, including sales, employment, and energy intensity.

ACTIVITIES OF DEPARTMENT MEMBERS

Miscellaneous

- Die Deutsche Forschungsgemeinschaft (DFG) bewilligt einen Antrag von Prof. Dr. Olaf Posch zum Thema „Nachhaltige Finanzpolitik und deren Auswirkungen auf Geldpolitik“ für 36 Monate über Mittel i. H. v. 311.100 Euro. Die im Rahmen des Projekts zu beantwortenden Fragen sind: Welchen Einfluss hat steigende Staatsverschuldung auf die Handlungsspielräume von Regierungen, um auf künftige Wirtschaftskrisen reagieren zu können? Wie beeinflussen geld- und fiskalische Wechselwirkungen sowie die in den letzten Jahren stark angestiegenen Zentralbankbilanzen die Ausgestaltung einer langfristig nachhaltigen Geldpolitik? Wie kann eine nachhaltige Staatsfinanzierung unter Berücksichtigung von Risikoprämien von Staatsanleihen sichergestellt werden?

Olaf Posch receives EUR 311.100 for the project “Fiscal sustainability and its implications for monetary policy” funded by the German Research Foundation (DFG). This project is intended to provide new insights to the following questions: How do soaring government debt levels impact the ability of policy makers to deal with future economic crises? What are the effects of (unconventional) monetary and fiscal interdependencies on the implementation of a sustainable monetary policy? What is the role of risk premia on government bonds in the emergence of sovereign default?

The next EconNewsletter will be published on Monday, June 15, 2020.

Editorial deadline: Friday, June 12, 2020.

EconNewsletter

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