



Fachbereich VWL / Department of Economics

EconNewsletter

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NOVEMBER 2 – NOVEMBER 6, 2020

NEWSLETTER 2020-16

SEMINAR CALENDAR

All seminars listed below will be held virtually this semester.

Research Seminar „Labour Economics“

[Rainer Kotschy, LMU:](#)

Health Dynamics Shape Life-Cycle Incomes

Zoom-Link for the online seminar:

<https://uni-hamburg.zoom.us/j/4549528589?pwd=MmpkOUtvMzh2dWxTaW4yeHNvL2RsQT09>

Meeting-ID: 454 952 8589

Password: labecon1

Monday November 2

16:30–18:00

Quantitative Economics

[Anne Hannusch, Universität Mannheim:](#)

*Taxing Families: The Impact of Child-related Transfers
on Maternal Labor Supply*

Please register via the following link:

<https://uni-hamburg.zoom.us/meeting/register/tJYvc-itqzgpHNVhBUWXWPX6bv3WwEHioDq5>

Tuesday November 3

12:15–13:30

Hamburg Lectures in Law and Economics

[Paolo Vanin, Bologna University:](#)

*Political Geography and Pre-Industrial Development:
A Theory and Evidence for Europe 1000-1850*

Please confirm your participation by sending a short e-mail to justyn.brockmeyer@ile-hamburg.de .

After confirming your registration you will receive the access information for the seminar on Zoom.

Wednesday November 4

18:15–19:45

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

Research Seminar „Labour Economics“

Rainer Kotschy, LMU:

Health Dynamics Shape Life-Cycle Incomes

Abstract:

This paper empirically investigates the long-run effects of major health improvements on income growth in the United States. To isolate exogenous changes in health, the econometric model uses quasi-experimental variation in cardiovascular disease mortality across states over time. Based on data for the white population, the results show that there is a causal link between health and income per person, and they provide novel evidence that health dynamics shape life-cycle incomes. Life-cycle income profiles slope more strongly at the beginning and at the end of work life in 2000 than in 1960, indicating that age becomes a more prominent determinant of income dynamics over this period. The channels for this transformation include better health, higher educational attainment, and changing labor supply.

Quantitative Economics

Anne Hannusch, Universität Mannheim:

Taxing Families: The Impact of Child-related Transfers on Maternal Labor Supply

Abstract:

The employment rate of married women with and without pre-school children varies substantially across countries. To what extent can child-related transfers account for this variation? I develop a life-cycle model in which married couples jointly decide their labor supply, female human capital evolves endogenously, and some couples have access to grandparental childcare. I show that child-related transfers can explain most of the variation in the employment rates of married women, even after taking the labor income tax treatment and cross-country variation in childcare fees into account.

Hamburg Lectures in Law and Economics

Paolo Vanin, Bologna University:

Political Geography and Pre-Industrial Development: A Theory and Evidence for Europe 1000-1850

Abstract:

We present a theory of the drivers, and a measurement of the patterns, of the evolution of historical sovereign polities over time and space in Europe, and we investigate the policies they adopted and the impact they had on pre-industrial urban development. We study the strategic interaction among ruling elites competing militarily for territorial control and economically for rent extraction. We characterize the endogenous evolution of the equilibrium number, size, borders and type of polities, identifying the timing and location of appearance (and disappearance) of city states and the transition from domain reigns to modern territorial states. The model predicts the emergence of hard borders and a reversal in the role of locations' centrality for development. We measure the territorial evolution of sovereign polities by assembling geo-referenced yearly panel data on the political geography of each location in Europe for the period 1000-1850 and we investigate its implications for pre-industrial urban growth. Results document a changing role of polity size and type and a reversal of centrality from across to within polities which is associated to increasing importance of domestic market potential after the XVII century.

ACTIVITIES OF DEPARTMENT MEMBERS

New Publications

- **Chen, H., Funke, M., Lozey, I. and A. Tsang (2020)**, “To Guide or Not to Guide? Quantitative Monetary Policy Tools and Macroeconomic Dynamics in China”, *International Journal of Central Banking* 16, 49-94.
- **Funke, M. and A. Tsang (2020)**, “The People’s Bank of China’s Response to the Coronavirus Pandemic: A Quantitative Assessment”, *Economic Modelling* 93, 465-473.
- **Funke, M., Loermann, J. and R. Moessner (2021)**, “The Discontinuation of the EUR/CHF Minimum Exchange Rate: Information from Option-Implied Break Probabilities”, *Studies in Nonlinear Dynamics & Econometrics* (forthcoming).
- **Funke, M. and A. Tsang (2021)**, “The Direction and Intensity of China’s Monetary Policy: A Dynamic Factor Modelling Approach”, *Economic Record* (forthcoming).

The next EconNewsletter will be published on Monday, November 9, 2020.

Editorial deadline: Friday, November 6, 2020.

EconNewsletter

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