



Fachbereich VWL / Department of Economics

EconNewsletter

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JANUARY 20 – JANUARY 24, 2020

NEWSLETTER 2020-3

SEMINAR CALENDAR

HCHE Research Seminar

Prof. Dr. Stefan Boes, Universität Luzern:

The impact of premium subsidies on health plan choices and health care demand: evidence from a system change in Switzerland

Monday January 20

16:30-18:00

Esplanade 36, R. 4011/13

Environmental and Development Economics

Claes Ek, University of Gothenburg:

Norm-based feedback on household waste: a large-scale field experiment in two Swedish municipalities

Wednesday January 22

12:15–13:45

WiWi 0079 (VMP 5)

Hamburg Lectures on Law & Economics

Dr. Diego Valiante, University of Bologna / European Commission:

Law and finance of cryptocurrencies

Wednesday January 22

18:15–19:45

R. 110, Johnsallee 35

PhD Seminar

Thomas Paul, University of Hamburg:

Empirical Analysis of Illiquidity Premia of German Real Estate Securities

Thursday January 23

12:15–13:15

WiWi 2095/2197 (VMP 5)

Research Seminar “Microeconomics”

Stefan Traub, HSU:

Need-based Justice versus Unconditional Basic Income: How Should Distributional Conflict Be Solved?

Thursday January 23

17:15–18:45

Achtung: ESA K

Research Seminar “Labour Economics”

- no seminar -

Forschungsseminar “Quantitative Wirtschaftsforschung“

- 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

Environmental and Development Economics

Claes Ek, University of Gothenburg:

Norm-based feedback on household waste: a large-scale field experiment in two Swedish municipalities

Abstract:

The last decade has seen a marked upsurge of research into interventions that aim to reduce resource use by providing users with information about their behavior compared to e.g. neighbors in their community. In two separate large-scale RCTs in western Sweden, we study the effect of such norm-based feedback on residual (unsorted) household waste. Our main feedback condition, which we term “static” feedback, replicates the standard design where each household’s own residual waste is compared with an average among roughly 100 nearby households. We also explore differently presented, “dynamic” feedback motivated by psychological evidence that norms focusing on changes in behavior, rather than snapshot pictures of consumption differences within a population, are more effective at reducing use. The results suggest relatively large reductions of 7-10%; however, there is no significant difference in effect size across the static and dynamic feedback conditions.

Hamburg Lectures on Law & Economics

Dr. Diego Valiante, University of Bologna / European Commission:

Law and Finance of Cryptocurrencies

Abstract:

When it comes to regulating financial services, national and international regulators and organisation (like the FSB, IOSCO and the European Commission) have taken a very prudent approach, by trying to first understand the nature of the change and thereupon to check how equipped is the current regulatory framework to face it. In some cases, especially at early stages, some regulators have been using sandboxes, with limited or no licensing requirements but with a strictly monitored perimeter of activities, to understand how these services/instruments are deployed on the market and spot potential regulatory loopholes. The European Commission, in its first consultation on FinTech, expressed a clear view that financial services legislation should be technology neutral and proportionate. As EU financial services legislation is mostly activity-based, an approach based purely on how this activity or service is delivered would be altering this (fragile) harmony. Meanwhile, the European Securities and Markets Authority (ESMA) has highlighted the importance of distinguishing between digital assets that are payment and investment-like, which are mostly falling under the current legislative framework in some way, from other digital assets (like utility-like and some dispersed virtual currencies) that are not currently covered by a comprehensive framework. Nonetheless, the definition of transferable security in Europe remains a national prerogative, so the end result may vary significantly across Member States. Complexity also arises in regulating diffused virtual currencies, like Bitcoin and

potentially the newcomer Libra. If not captured as financial or money market instruments, the closest definition in EU regulation for virtual currency could be e-money, but some may argue that the storage of value function foreseen in article 2.2 of Directive 2009/110/EC is not necessarily met, if we consider how volatile Bitcoin has been in recent years and how Libra plans to reinvest money in short-term assets and other currencies. According to the Securities and Exchange Commission (SEC), while diffused cryptocurrencies, like Bitcoin and Ether, fail the 'Howey test' mostly because of the lack of expectations of a financial return, many cryptocurrencies are now considered securities in the US. But new case law may reopen this discussion at some point. This new financial services infrastructure also makes some legal requirements not applicable at all and may call for new regulatory requirements, such as in the case of settlement finality in relation to the transfer of tokens of ICOs, or potential safekeeping obligations on providers of digital wallets for DLT networks, where only one key to access the asset is available and held by the ultimate beneficiary on his/her own laptop. In particular, several organizational requirements, including some in the Markets in Financial Instruments Directive, would probably need re-calibration to fit new modalities on how financial instruments, means of payments, and investment services (among other) are being offered/provided.

PhD Seminar

Thomas Paul, University of Hamburg:

Empirical Analysis of Illiquidity Premia of German Real Estate Securities

Abstract:

This paper analyzes illiquidity premia and the effect on expected returns of German securities, which refer to the German and, to a lesser extent, on international real estate market. We are using a unique data set that includes real estate stocks, REITs, open- and closed-end funds covering the period 2003 to 2017 and follow the structural approach of Amihud (2002). Firstly, we estimate illiquidity factors for the German real estate market, based on Amihud's ILLIQ. Secondly, we investigate the relationships between expected returns and their measurable illiquidity as well as other factors in cross-sectional regressions. Thirdly, we analyze the effects of the expected and unexpected illiquidity of the market on future returns. We find that Amihud's ILLIQ plays an important role in return expectations for real estate stocks and REITs. However, the effects on open and closed-end real estate funds are less clear.

Research Seminar “Microeconomics”

Stefan Traub, HSU:

Need-based Justice versus Unconditional Basic Income: How Should Distributional Conflict Be Solved?

Abstract:

The goal of the DFG funded interdisciplinary research group FOR 2104 “Need-based Justice and Distribution Procedures” is to contribute to a positive and empirically informed normative theory of distributional justice. The principle that the distribution of scarce resources has to be aligned to socially or politically recognized needs takes center stage in the research program of FOR 2104. We briefly introduce FOR 2104 and present the results of several economic laboratory experiments dealing with the recognition of needs and the incentive effects of need-based redistribution. We show that most subjects are information-sensitive in their giving behavior in a dictator game, that is, the recipients’ neediness conditions the size of the dictators’ donations. If compared with an unconditional lump-sum transfer, need-based (i.e. conditional) redistribution leads to both more efficient and more unequal group outcomes in an investment task. Our results are in line with the so-called “Boulding Principle”, which holds that people prefer a combination of need (in terms of a social minimum) and desert, and recent empirical evidence from the European Social Survey, which shows high support for need and equity as principles of distributive justice.

ACTIVITIES OF DEPARTMENT MEMBERS

New Publications

- **Drupp, M.A., Khadjavi, M., Riekhof, M.C., and Voss, R. (2020)**, “Professional Identity and the Gender Gap in Risk-Taking. Evidence from Field Experiments with Scientists”, *Journal of Economic Behavior and Organization*, <https://doi.org/10.1016/j.jebo.2019.12.020>.

The next EconNewsletter will be published on Monday, January 27, 2020.

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EconNewsletter

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