



Fachbereich VWL / Department of Economics

# EconNewsletter

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JUNE 21 – JUNE 25, 2021

NEWSLETTER 2021-18

## SEMINAR CALENDAR

All seminars listed below will be held virtually this semester.

### HCHE Research Seminar

[Mario Macis, John Hopkins Carey Business School:](#)

*Incentivized Peer Referrals for Tuberculosis Screening:  
Evidence from India*

Please register via the following link:

<https://www.hche.uni-hamburg.de/en/veranstaltungen/researchseminar.html>

Monday June 21

16:30–18:00

### Quantitative Economics

[Judith Schneider, Leuphana Universität Lüneburg:](#)

*Intrinsic Preferences for the Timing and the Skewness of Information  
Revelation: Experimental Evidence on Information Structures and Compound Lotteries*

Please register via the following link:

<https://uni-hamburg.zoom.us/meeting/register/tJYvc-itqzgpHNvhBUWXWPX6bv3WwEHioDq5>

Tuesday June 22

12:15–13:30

### Hamburg Lectures in Law and Economics

[Niclas Berggren, Prague University of Economics and Business:](#)

*Does legal freedom satisfy?*

Please confirm your participation by sending a short e-mail to [justyn.brockmeyer@ile-hamburg.de](mailto:justyn.brockmeyer@ile-hamburg.de).

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

Wednesday June 23

18:15–19:45

### PhD Seminar

[Sami Diaf, Hamburg University:](#)

*Policy Preference at Central Banks: Quantifying Monetary Policy  
Signals using Topic Models*

Please register via the following link:

<https://uni-hamburg.zoom.us/meeting/register/tJEIce2ppzMpEtSntdV3ofF2S-qKBw7vhbEI>

Thursday June 24

12:15–13:15

**Interdisciplinary Research Seminar**

[Helios Herrera, Warwick University:](#)

*Brexit: Brinkmanship and Compromise*

Please register via the following link:

<https://www.wiso.uni-hamburg.de/en/forschung/verbundprojekte/rtg-collective-decision-making/events/register-for-irs-talk.html>

Thursday June 24

17:15–18:45

**ABSTRACTS**

**HCHE Research Seminar**

Mario Macis, John Hopkins Carey Business School:

*Incentivized Peer Referrals for Tuberculosis Screening: Evidence from India*

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*Abstract:*

We use a field experiment with 3,176 patients at 122 tuberculosis treatment clinics in India to test whether peer referrals increase screening and identification of patients with an infectious disease. Low-cost financial incentives considerably raise the probability that current patients refer prospective patients for screening and testing, resulting in the cost-effective identification of new tuberculosis cases. Incentivized referrals operate through two mechanisms - peers have private information about individuals in their social networks (beyond their immediate families) to target for outreach, and peers are more effective than traditional contact tracing by paid health workers in inducing these individuals to get tested.

**Quantitative Economics**

Judith Schneider, Leuphana Universität Lüneburg:

*Intrinsic Preferences for the Timing and the Skewness of Information Revelation: Experimental Evidence on Information Structures and Compound Lotteries*

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*Abstract:*

In a comprehensive experimental study, we explore intrinsic preferences for various types of uncertainty resolution. We focus on gradual information revelation with different skewness (positive, negative, symmetric) and demonstrate that intrinsic skewness preferences depend on the chosen information environment. In a typical ‘compound lottery’ environment non-skewed information revelation is the most preferred option. In an equivalent ‘information structure’ environment, most participants prefer positively skewed information revelation. Our experimental subjects also evaluate early and late resolution, and state preferences for all pairwise comparisons. By this integrated set-up our study provides a complete picture of intrinsic preferences for information revelation, connecting previous studies that have focused on specific facets of the phenomenon. We discuss for a number of decision theories which allow

the timing of non-instrumental information revelation to influence preferences whether they can explain the overall preference patterns observed in our experiment.

### **Hamburg Lectures in Law and Economics**

Niclas Berggren, Prague University of Economics and Business:

*Does legal freedom satisfy?*

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#### *Abstract:*

Much political conflict in the world revolves around the issue of how much freedom to accord people. Liberal democracies are characterized by, e.g., the rule of law and a strong protection of civil rights, giving individuals a great deal of legally guaranteed freedom to lead their lives as they see fit. However, it is not known whether legal freedom suffices to make people satisfied with the freedom they perceive to have. Our study explores that issue by relating seven indicators of legal freedom to the satisfaction people express with their freedom of choice. Using a sample of 133 countries over the period 2008–2018, and taking a panel-data approach, we find that only one of the indicators, freedom of assembly, contributes robustly to satisfaction with freedom. However, when exploring conditional associations by interacting the indicators with social trust, the rule of law is also positively and increasingly related to satisfaction with freedom above a threshold level. Freedom of assembly is more positive for satisfaction with freedom the higher the GDP per capita and in democracies. Thus, for some types of legal freedom, formal legal institutions are complementary with culture, income and the political system in generating satisfaction with freedom.

### **PhD Seminar**

Sami Diaf, Hamburg University:

*Policy Preference at Central Banks: Quantifying Monetary Policy Signals using Topic Models*

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#### *Abstract:*

This work analyzes central banking information flow and proposes a novel methodology to estimate policy preferences at the individual level by uncovering the debated topics within its released speeches using semi-supervised topic models to track policy signals and quantify them. While most of the literature related to central banking corpora used unsupervised topic models, we propose a semi-supervised, keyword-based approach built upon Keyword Assisted Topic Model (KeyATM) that defines groups of words linked to monetary objectives assigned to central bankers. Applying the dynamic KeyATM on the Federal Reserve Governors' speeches during the period 1996-2020 outperforms other unsupervised variants in terms of topic content and helps capturing policy signals that were found in-line with the prevailing economic conjuncture in the United States. Results confirm inflation as a trailing topic after the 2008

financial crisis, while non-keyword topics were found to match the financial stability, financial innovation and the banking regulation, with noticeable imbalances among Governors and presidency tenures. Furthermore, topic scores could be used as leading indicators that predict, with a great accuracy, the US monthly inflation rate as well as other uncertainty indicators.

### **Interdisciplinary Research Seminar**

Helios Herrera, Warwick University:

*Brexit: Brinkmanship and Compromise*

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#### *Abstract:*

We study how do-or-die threats ending negotiations affect gridlock and welfare in the ratification of deals/treaties between opposing parties. Failure to agree in any period, as usual, implies a status-quo disagreement payoff and a continuation of the negotiation: a renegotiated amended agreement to be ratified next period. However, under brinkmanship, agreement failure in any period may precipitate instead a “hard” outcome, worse than the status-quo and than any feasible agreement. Such brinkmanship threats improve the scope for agreement, but also entail costs as we show. With symmetric parties only more extreme brinkmanship is beneficial: when an agreement is unlikely to begin with mild brinkmanship only reduces welfare by increasing the equilibrium chance of a hard outcome. If a party is advantaged it typically benefits even from mild threats, as the expected agreement shifts in its favor, while only extreme brinkmanship threats can benefit the disadvantaged party.

## ACTIVITIES OF DEPARTMENT MEMBERS

### **Miscellaneous**

- Das Präsidium der Tallinn University of Technology (<https://www.taltech.ee/en>) hat Professor Michael Funke zum Adjunct Professor im Department of Economics and Finance berufen ([michael.funke@taltech.ee](mailto:michael.funke@taltech.ee)).
- Das Institute for Emerging Economies der finnischen Zentralbank (Bank of Finland) in Helsinki (<https://www.bofit.fi/en/bofit/>) hat Professor Michael Funke zum Visiting Research Fellow 2021-2022 ernannt.
- Das Hong Kong Institute for Monetary and Financial Research (<https://www.aof.org.hk/research/HKIMR>) der Zentralbank Hong Kong's (Hong Kong Monetary Authority; <https://www.hkma.gov.hk/eng/>) hat Professor Michael Funke zum Visiting Research Fellow 2022 ernannt.

*The next EconNewsletter will be published on Monday, June 28, 2021.*

*Editorial deadline: Friday, June 25, 2021.*

**EconNewsletter**

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