



Fachbereich VWL / Department of Economics

# EconNewsletter

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NOVEMBER 22 – NOVEMBER 26, 2021

NEWSLETTER 2021-27

## SEMINAR CALENDAR

### HCHE Research Seminar

[Katja Grasic, University of York:](#)

*Can financial incentives shift health care from an inpatient to an outpatient setting?*

Monday November 22

16:30-18:00

This seminar will be held in a digital format. For participation via Zoom please use the following link:

<https://uni-hamburg.zoom.us/j/62526654420?pwd=VHdWVDBUaVJ4cmRmT3NjTldsMWNSQT09>

### Quantitative Economics

[Thorsten Drautzburg, Federal Reserve Bank of Philadelphia:](#)

*Partisanship and Fiscal Policy in Economic Unions*

Tuesday November 23

12:15–13:30

This seminar will be held in a digital format. For participation via Zoom please register via the following link:

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

### Hamburg Lectures in Law and Economics

[Michael Waibel, University of Vienna:](#)

*A Theory of Boilerplate in International Agreements*

Wednesday November 24

18:15–19:45

This lecture will be held in a digital format. For participation via Zoom please register via the following link: <https://forms.office.com/r/z8ry5V0ZB2>

### Research Seminar “Microeconomics”

[Tayfun Sönmez, Boston College:](#)

*Mechanism Design meets Priority Design: Redesigning the US Army’s Branching Process*

Thursday November 25

17:15–18:45

This lecture will be held in a digital format. For participation via Zoom please use the following link:

<https://uni-hamburg.zoom.us/j/97265167811?pwd=WW05UmowdzZ1V1lQVCswcm45Y0Nhdz09>

Meeting-ID: 972 6516 7811

Kenncode: J5MWA!D%

## ABSTRACTS

### **Quantitative Economics**

Thorsten Drautzburg, Federal Reserve Bank of Philadelphia:

*Partisanship and Fiscal Policy in Economic Unions*

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*Abstract:*

Partisanship of state-level politicians affects the impact of federal fiscal policy in the U.S. Using data from close elections, we find partisan differences in the marginal propensity to spend federal transfers since the early 1980s: Republican governors spend less. A New Keynesian model of partisan states in a monetary union implies sizable aggregate income effects of these partisan differences: First, the transfer multiplier would rise by 0.60 if Republican governors spend as much as Democratic governors. Second, the observed changes in the share of Republican governors imply variation in the multiplier of 0.40. Local projection regressions support this prediction.

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

Michael Waibel, University of Vienna:

*A Theory of Boilerplate in International Agreements*

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*Abstract:*

‘Boilerplate’ terms are those that appear in a multitude of agreements – such as ‘entry into force’ terms copied directly from the United Nations Handbook on Final Clauses. We know little about such boilerplate in international law. However, literature in a different institutional setting, private law contracts, indicates that while boilerplate can make negotiations more efficient, it has a dark side: it may be imposed by more powerful parties to gain benefits; it can persist even as conditions change; and it can take on a life of its own and come to mean something different from what was intended by the drafters. The paper develops a theory of boilerplate in international agreements, with a focus on two questions: (1) when does boilerplate arise; (2) why do states use boilerplate.

**Research Seminar “Microeconomics”**

Tayfun Sönmez, Boston College:

*Mechanism Design meets Priority Design: Redesigning the US Army’s Branching Process*

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*Abstract:*

Army cadets obtain occupations through a centralized process. Three objectives – increasing retention, aligning talent, and enhancing trust – have guided reforms to this process since 2006. West Point’s mechanism for the Class of 2020 exacerbated challenges implementing Army policy aims. We formulate these desiderata as axioms and study their implications theoretically and with administrative data. We show that the Army’s objectives not only determine an allocation mechanism, but also a specific priority policy, a uniqueness result that integrates mechanism and priority design. These results led to a re-design of the mechanism, now adopted at both West Point and ROTC.

*The next EconNewsletter will be published on Monday, November 29, 2021.*

*Editorial deadline: Friday, November 26, 2021.*

**EconNewsletter**

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