



Fachbereich VWL / Department of Economics

EconNewsletter

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JANUARY 25 – JANUARY 29, 2021

NEWSLETTER 2021-4

SEMINAR CALENDAR

All seminars listed below will be held virtually this semester.

Labour Economics Seminar

[Olga Stoddard, Brigham Young University:](#)

*Strength in Numbers: A Field Experiment in Gender, Influence,
and Group Dynamics*

Zoom-Link for the online seminar:

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

Meeting-ID: 454 952 8589

Kenncode: labecon1

Monday January 25

16:30–18:00

Quantitative Economics

[Juan Carlos Parra-Alvarez, Aarhus University:](#)

*Estimation of continuous-time linear DSGE models from
discrete-time measurements*

Please register via the following link:

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

Tuesday January 26

12:15–13:30

Environmental and Development Economics

[Fabian Herweg, University of Bayreuth:](#)

Prices versus Quantities with Morally Concerned Consumers

Zoom-Link:

<https://uni-hamburg.zoom.us/j/97274597002?pwd=Q29RakJTMUU4c09hK1ISRHppdnV4UT09>

Meeting-ID: 972 7459 7002

Password: 08933857

Wednesday January 27

12:15–13:45

Hamburg Lectures in Law and Economics

[Prof. Samantha Bielen, Hasselt University:](#)

*Prosecution or Persecution? Extraneous Events and
Prosecutorial Decisions*

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 January 27

18:15–19:45

Microeconomics Seminar

[Pietro Ortoleva, Princeton University:](#)

Caution and Reference Effects

Please send an email to niklas.wallmeier@uni-hamburg.de if you want to register for the seminar.

Thursday January 28

17:15–18:45

All other seminars are cancelled until further notice.

ABSTRACTS

Labour Economics Seminar

Olga Stoddard, Brigham Young University:

Strength in Numbers: A Field Experiment in Gender, Influence, and Group Dynamics

Abstract:

Policy interventions to increase women’s presence in the workforce and leadership positions vary in their intensity, with some requiring a lone woman and others setting higher quotas. However, little is known about how the resulting group gender compositions influence individuals’ experiences and broader workplace dynamics. In this paper, we investigate whether lone women are disadvantaged compared to women on majority-women mixed-gender teams. We conducted a multi-year field experiment with a top-10 undergraduate accounting program that randomized the gender composition of semester-long teams. Using laboratory, survey, and administrative data, we find that even after accounting for their proportion of the group, lone women are seen as less influential by their peers and are less likely to be chosen to represent the group than women on majority-women teams. Lone women also participate slightly less in group discussions and receive less credit when they do. Women’s increased authority in majority-women teams is driven primarily by men’s behavior, not homophily or self-assessment. We find that over time, the gap in general assessments of influence between lone and other women shrinks, but this improvement does not carry over to task-specific assessments. Finally, predictors of future grades are different for lone women than for other participants, and regardless of treatment condition, women’s task expertise is incorporated into group decisions less often than men’s. Our findings have implications for team assignments in male-dominated settings and cast significant doubt on the idea that women can solve influence gaps by “leaning in.”

Quantitative Economics

Juan Carlos Parra-Alvarez, Aarhus University:

Estimation of continuous-time linear DSGE models from discrete-time measurements

Abstract:

This paper shows how to estimate continuous-time linear dynamic stochastic general equilibrium (DSGE) models when data is only available at discrete points in time. Our approach exploits the fact that any system of linear stochastic differential equations (SDE) can be represented as a discrete-time VAR(1) with the same probabilistic structure of the original SDE at measurement times. When combined with a measurement equation, we obtain an otherwise standard discrete-time state space model that naturally accommodates for the discrete observational frequency of the data, while keeping the fundamental characteristics of the continuous-time model unaltered. Using the Kalman filter, we derive the likelihood function of the model and estimate frequency-independent structural parameters of the model. One implication of the continuous-to-discrete time mapping is that innovations in the state-space representation do not represent structural shocks in the economy, but an infinite sum of zero-mean random variables between measurements. Following the SVAR literature, we provide a framework to identify structural shocks using the reduced form innovations from the estimated model.

Environmental and Development Economics

Fabian Herweg, University of Bayreuth:

Prices versus Quantities with Morally Concerned Consumers

Abstract:

It is widely believed that an environmental tax (price regulation) and cap-and-trade (quantity regulation) are equally efficient in controlling pollution when there is no uncertainty. We show that this is not the case if some consumers (firms, local governments) are morally concerned about pollution and the pollution price is inefficiently low for political reasons. Emissions are lower and material welfare is higher with price regulation. Furthermore, quantity regulation gives rise to dysfunctional incentive and distribution effects. It shifts the burden of adjustment to the poor and discourages voluntary efforts to reduce pollution, while price regulation makes these efforts effective.

Hamburg Lectures in Law and Economics

Prof. Samantha Bielen, Hasselt University:

Prosecution or Persecution? Extraneous Events and Prosecutorial Decisions

Abstract:

In 2004 in Amsterdam, a Dutch-Moroccan Islamic extremist brutally murdered Theo van Gogh, a Dutch filmmaker known for his critique of Islam. Using a difference-in-difference approach, we show that, in the Amsterdam region, the assassination resulted in more than a 19-percentagepoint increase in the likelihood of prosecution for unrelated violent crimes of male suspects born in Muslim-majority countries. The effect is detectable during the first month following the murder but dissipates thereafter. We find no evidence of the murder's effect for analogous cases processed in other regions in the Netherlands and for non-violent crimes. Our findings are consistent with the interpretation that the heinous killing elicited an availability heuristic-based connotation in the minds of prosecutors between male suspects born in Muslim-majority countries and culpability for violent crimes. Our paper adds to an emerging empirical literature demonstrating that extraneous events can critically shape criminal justice outcomes.

Microeconomics Seminar

Pietro Ortoleva, Princeton University:

Caution and Reference Effects

Abstract:

We establish a theoretical link between three phenomena at the core of behavioral economics: the Endowment Effect, Loss Aversion, and violations of Expected Utility as in the Certainty Effect. In our model, all jointly stem from one single force: uncertainty about the right utility function and caution. We show that our model is derived from positing a form of the certainty effect that implies both Loss Aversion and the Endowment Effect. We analyze further implications of our model and demonstrate how it can organize existing empirical evidence of the Endowment Effect, and how it is conceptually and behaviorally distinct from other popular approaches (e.g., Cumulative Prospect Theory).

The next EconNewsletter will be published on Monday, February 1, 2021.

Editorial deadline: Friday, January 29, 2021.

EconNewsletter

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