



Fachbereich VWL / Department of Economics

# EconNewsletter

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MAY 30 – JUNE 3, 2022

NEWSLETTER 2022-12

## SEMINAR CALENDAR

### Research Seminar “Labour Economics”

[Shoshana Grossbard, San Diego State University:](#)

*Does a better financial situation protect women against intimate domestic violence? Only in some cultures*

Tuesday May 31

12:15-13:30

Welckerstr. 8, Raum 2.18

### Quantitative Economics

[Thomas Kruse, University of Gießen:](#)

*Optimal Dynamic Control of an Epidemic*

The seminar is held in a digital format. For participation via Zoom please register via the following link:

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

Tuesday May 31

12:15–13:30

### Hamburg Lectures in Law and Economics

[Eyal Benvenisti, University of Cambridge:](#)

*Bargaining about War in the Shadow of International Law*

The seminar is held in a digital format. To register for **Online participation** via Zoom please click the following link and fill in the necessary information: <https://forms.office.com/r/9VchNHVMsV>

You will then receive an Email with the access link prior to the lecture.

Wednesday June 1

18:15–19:45

### PhD Seminar

[Eric Offner, Hamburg University:](#)

*Effects of Monetary Policy on Growth and Value Stocks*

Thursday June 2

12:15–13:00

R. 0031 (VMP 5)

### Interdisciplinary Research Seminar

[Lena Schaffer University of Lucerne:](#)

*Individual Labor Migration Preferences: Culture, Context or Competition?*

Thursday June 2

17:15–18:45

R. S28 (VMP 9)

The seminar is also live-streamed on Zoom. Please see

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

if you want to register for the seminar.

## ABSTRACTS

### **Quantitative Economics**

Thomas Kruse, University of Gießen:

*Optimal Dynamic Control of an Epidemic*

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*Abstract:*

We analyze how to optimally engage in social distancing in order to minimize the spread of an infectious disease. We identify conditions under which any optimal policy is single-peaked, i.e., first engages in increasingly more social distancing and subsequently decreases its intensity. We show that an optimal policy might substantially delay measures that decrease the transmission rate to create herd-immunity and that engaging in social distancing sub-optimally early can increase the number of fatalities. Finally, we find that optimal social distancing can be an effective measure to reduce the death rate of a disease.

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

Eyal Benvenisti, University of Cambridge:

*Bargaining about War in the Shadow of International Law*

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*Abstract:*

The recent aggression against Ukraine invites us to consider the tools that international law offers to prevent wars or to hasten their termination. While the traditional debate focuses on the usefulness of the prohibition on the threat or the use of force or the failure of collective security by the UN Security Council, we show in this post that the effort to prevent war through law is much wider and deeper. As Clausewitz and Schelling noted, war is a bargaining process. We explore the reasons for such failure, suggesting that the turn to violence could reflect indivisible goals, asymmetric information, commitment problems, externalities on third parties, or agency costs. We show that international law indirectly seeks to address these bargaining failures through several doctrines and explore the potential and the limits of the law for reducing the appeal of war still further.

### **PhD Seminar**

Eric Offner, Hamburg University:

*Effects of Monetary Policy on Growth and Value Stocks*

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*Abstract:*

Recent media coverage has emphasized the different reactions of stock returns from growth and value firms to tightening hints of the Federal Reserve. I address this open question among scholars using a high-frequency event-study. I estimate panel regressions of stock returns and market-to-book equity and find that growth stocks react stronger to policy surprises. Several robustness analyses confirm that this heterogeneity exists across firms and not because of periods of higher valuations.

**Interdisciplinary Research Seminar**

Lena Schaffer University of Lucerne:

*Individual Labor Migration Preferences: Culture, Context or Competition?*

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*Abstract:*

Existing literature theorizes that immigration has an impact on the wages and employment of native workers. At the same time, individual attitudes towards migration are also affected by other material, cultural or social concerns. Empirically, however, it is often hard to disentangle these different explanations. By taking advantage of the fact that different types of labor migration, namely either taking residence and working in a country vs. commuting over the border, equally affect labor market competition for natives, but have very different cultural and social implications, we strive to identify the effect of labor migration on attitudes towards migration. We argue that if economic threat was most important to natives' opinion formation, we should not see any differences in respondents' evaluation of our two groups of labor migrants, cross-border commuters vs. resident foreigners. Yet we would expect to see differentiated reactions if respondents also took additional cultural, material and social aspects into account. To empirically explore whether there is a difference in natives' evaluations of the two different types of labor migration, we embedded two experiments within a representative survey of the Swiss population, one priming and one conjoint experiment. By varying, among other things, whether immigrants live in Switzerland or merely commute for work and return to their home country we are able to show that – counter to our expectations – cross-border commuters are perceived more negatively than resident foreigners. Moreover, our results also show that citizens indeed react to the labor market threat posed by cross-border commuters, but that this effect is especially pronounced for natives most exposed to cross-border commuters.

*The next EconNewsletter will be published on Monday, June 6, 2022.*

*Editorial deadline: Friday, June 3, 2022.*

**EconNewsletter**

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