



Fachbereich VWL / Department of Economics

EconNewsletter

Editorial Contact: Michael Paetz
tel: +49 40 42838-5561; e-mail: econ.newsletter.Wiso@uni-hamburg.de

OCTOBER 24 – OCTOBER 28, 2022

NEWSLETTER 2022-19

SEMINAR CALENDAR

Quantitative Economics

[Benjamin Born, Frankfurt School of Finance:](#)

Temporary VAT Cut as Unconventional Fiscal Policy

Tuesday October 25

12:15–13:30

R. 0079 (VMP 5)

This seminar will also be live streamed. 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

[Stefan Thierse, Universität Bremen:](#)

Judicial dissent in the subnational constitutional courts of Germany

Wednesday October 26

18:15–19:45

R. 110 (Johnsallee 35)

This seminar is held in a hybrid format. To register for **Online participation** via Zoom please click the following link and fill in the necessary information: <https://forms.office.com/r/mwMNLhph0c> or send an email to yasmin.seyrafian@ile-hamburg.de. You will then receive an Email with the access link prior to the lecture.

Microeconomics Seminar

[Pau Milán, Universitat Autònoma de Barcelona:](#)

The Limits to Local Insurance

Thursday October 27

17:15–18:45

R. 0079 (VMP 5)

ABSTRACTS

Quantitative Economics

Benjamin Born, Frankfurt School of Finance:

Temporary VAT Cut as Unconventional Fiscal Policy

Abstract:

We exploit the temporary VAT cut in Germany in the second half of 2020 as a natural experiment to study the spending response to unconventional fiscal policy. We use survey and scanner data on households' consumption expenditures and their perceived pass-through of the tax change into prices to quantify the effects of this VAT policy. The temporary VAT cut led to a relative increase in durable spending of 32 percent for individuals with a high perceived pass-through. Semi- and non-durable spending also increased. The VAT policy increased aggregate consumption spending by 23 billion Euros, or 1.4 percent.

Hamburg Lectures in Law and Economics

Stefan Thierse, Universität Bremen:

Judicial dissent in the subnational constitutional courts of Germany

Abstract:

Dissent is an inescapable fact of judicial decision-making. It has always existed. However, unless procedural rules provide for the publication of a dissenting opinion and judges seize this opportunity, courts appear to outsiders as impersonal, monolithic institutions. Dissenting opinions have for long been alien to courts in civil law systems. However, today an increasing number of countries with a civil law system allow for dissenting opinions to be published at least at high and constitutional courts. Still, few studies have thus far investigated dissenting opinions in courts at the subnational level. This lecture presents empirical findings from an analysis of more than 1,000 decisions taken by ten subnational constitutional courts (Landesverfassungsgerichte) in Germany in a ten-year period (2009-2018). The multilevel logistic regression models suggest that dissent is driven predominantly by decision-level factors. In particular, the likelihood of dissent increases where a decision taps into the relationship between state constitutional law and the Basic Law. Furthermore, the higher the number of additional dissents submitted, the higher the probability of a dissenting opinion. By contrast, the data do not support the assumption that ideological convictions or career background have an impact on judicial dissent. The findings bear relevance for theoretical models of judicial behavior and indicate the significance of the institutional design of judicial deliberations.

Microeconomics Seminar

Pau Milán, Universitat Autònoma de Barcelona:

The Limits to Local Insurance

Abstract:

We study decentralized insurance when multiple risks are payoff relevant, but each agent may only trade a (possibly different) subset of risks. Unless (at least) one agent can trade every risk, insurance markets remain incomplete, and the economy is not resilient to worst-case events. We also identify spillovers in any feasible allocation: others' inability to trade some risks restricts an agent's resilience to joint realizations. Unless an agent can trade a superset of i 's risks, agent i is not resilient to them. In an application, we model constraints as risk-sharing networks and measure resilience in a Malawian village.

ACTIVITIES OF DEPARTMENT MEMBERS

New Publications

- **Ahlfeldt, G., Maennig, W. and Mueller, S. (2022)**, "Population ageing and intergenerational conflicts in direct democracy: separating age from cohort effects", *American Journal of Aging Science and Research* (forthcoming).

The next EconNewsletter will be published on Monday, October 31, 2022.

Editorial deadline: Friday, October 28, 2022.

EconNewsletter

Department of Economics

University of Hamburg

Von-Melle-Park 5, 20146 Hamburg

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