

## **Fachbereich VWL / Department of Economics**

# EconNewsletter

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## JANUARY 30 - FEBRUARY 3, 2023

### **NEWSLETTER 2023-4**

#### SEMINAR CALENDAR

#### **HCHE Research Seminar**

Luise Pufahl, Technische Universität Berlin: Process mining for healthcare: opportunities and challenges

#### Hamburg Lectures in Law and Economics

<u>Rosa Ferrer, Universitat Pompeu Fabra Barcelona:</u> Career Concerns in an Adversarial Setting: the Effect of Lawyers' Reputational Concerns on Litigation Wednesday February 1

Esplanade 36, R. 4011/13

Monday January 30

16:30-18:00

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: <u>https://ile-hamburg.us5.list-manage.com/track/click?u=a3a598540658d2c2aadfae5b6&id=48464606cd&e=3446e273d6</u> or send an email to <u>yasmin.seyrafian@ile-hamburg.de</u>. You will then receive an Email with the access link prior to the lecture.

#### Microeconomics Seminar & Interdisciplinary Research Seminar

Stephane Wolton, LSE:	Thursday February 2
Unmasking the Enemies: A Theory of Denunciations	17:15-18:45
	R. 0079 (VMP 5)
This seminar will also be live streamed. For participation via Zoom pleas	e register via the following

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

#### ABSTRACTS

#### Hamburg Lectures in Law and Economics

Rosa Ferrer, Universitat Pompeu Fabra Barcelona: Career Concerns in an Adversarial Setting: the Effect of Lawyers' Reputational Concerns on Litigation

#### Abstract:

This article studies a model with two lawyers opposing each other in a case where the outcome of the trial depends on the lawyers' talents and effort choices. The trial outcome provides an implicit incentive because it is informative about the lawyers' talents. Regardless of the functional form used to model the binary trial outcome, the implicit incentive is shown to be characterized by three components, namely the ex ante uncertainty over the lawyers' talents, the sensitivity of the trial outcome to the attorneys' talents, and the variance of the noise in the trial outcome, which is endogenous. Their interplay with the attorneys' effort levels and the merits of the case affects the informativeness of the trial outcome on the lawyers' talents, thereby creating strategic interactions that can affect litigation outcomes. Moreover, an unbalanced court field (i.e., due to exogenous merits favoring one side) can further amplify the effect of career concerns as the unfavored agent would experience a more substantial reputational gain in case of winning relative to an even case).

#### Microeconomics Seminar & Interdisciplinary Research Seminar

Stephane Wolton, LSE:

Unmasking the Enemies: A Theory of Denunciations

#### Abstract:

Denunciations are prevalent in authoritarian regimes. Citizens turn against each other to report suspicious behavior to the police state. Autocratic regimes have many ways to encourage denunciations. They could provide moral benefits or monetary reward. They can vary the amount they offer for successful tips. We study a formal model to study the consequences of these different choices. How do these different reward schemes affect the number of denunciations the authorities receive? How do they affect the informativeness of the denunciations? We show that while the number of denunciations increases with the size of the reward the regime offers, the informativeness is not necessarily monotonic in the amount of material benefits. When citizens have good information on each other, a scheme with large reward maximizes both the number of denunciations and their informativeness.

# The <u>next EconNewsletter</u> will be published on Monday, April 3, 2023. <u>Editorial deadline</u>: Friday, March 31, 2023.

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