



Fachbereich VWL / Department of Economics

EconNewsletter

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MAY 27 – MAY 31, 2024

NEWSLETTER 2024-12

SEMINAR CALENDAR

HCHE Research Seminar

[Erik Grönqvist, Universität Uppsala:](#)

Should "willingness-to-pay" thresholds change with disease severity?

Monday May 27

16:30-17:45

Esplanade 36, R. 4011/13

Quantitative Economics

[Marie Hoerova, ECB:](#)

Fund fragility: The role of fund ownership base

Tuesday May 28

12:15–13:30

R. 0079 (VMP 5)

Environmental and Development Economics

[Nico Koch, MCC Berlin:](#)

Heat Stress and Labor Market Inequality

Wednesday May 29

12:15–13:45

R. 0079 (VMP 5)

Hamburg Lectures in Law and Economics

[Jeromin Zettelmeyer, Director of Bruegel:](#)

European Economic Security in an age of Interdependence

Wednesday May 29

18:15–19:45

R. 1083a (VMP 5)

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 or send an email to lectures-ile@uni-hamburg.de.

ABSTRACTS

HCHE Research Seminar

Erik Grönqvist, Universit t Uppsala:

Should "willingness-to-pay" thresholds change with disease severity?

Abstract:

How should limited resources for health care be prioritized? An important policy objective in a public health care system is to maximize health in the population, but the way health is produced also tend to matter for most people.

The standard cost-effectiveness framework for healthcare products relies on evaluating health gains from treatment compared to its cost. In a society with preferences for equity the ICER-threshold needs to be adjusted for other attributes; one leading candidate is disease severity.

We provide a framework for distributional payment weights for the treatment of patients differing in health gain from a treatment and disease severity. We suggest a simplified DCE design to elicit public preferences. Using data for a representative sample for the Swedish general population's we provide estimates on the public's preferences for trading cost-effectiveness for disease severity.

Quantitative Economics

Marie Hoerova, ECB:

Fund fragility: The role of fund ownership base

Abstract:

Using security-by-security data on investor holdings in the euro area, we study run dynamics across different fund-shares of the same fund during the unprecedented liquidity crisis in March 2020. For an average bond or equity mutual fund-share, households, other euro area funds, and the foreign sector each represent about a quarter of the total holdings. Insurance companies hold another 14%, with all other investors combined (banks, non-financial corporations, pension funds, etc.) accounting for less than 10% of holdings. Analyzing bond funds, we show that fund-shares with higher ownership by other funds suffered substantially higher outflows (by 5.4 percentage points), while fund-shares with higher ownership by households had substantially lower outflows (by 4.7 percentage points) compared to the other fund-shares within the same fund. This gap is not driven by time-varying differences in fund performance. Results for equity funds are similar, although they faced substantially smaller outflows, coupled with much larger declines in performance, compared to bond funds. Our findings suggest that a collective "dash for cash" by consumers and firms in need of liquidity at the outset of the COVID-19 pandemic was not the source of mutual fund fragility. Instead, the most run-prone investor type turned out to be the fund sector itself.

Environmental and Development Economics

Nico Koch, MCC Berlin:

Heat Stress and Labor Market Inequality

Abstract:

Using administrative public health insurance records for the German working-age population, we link the quasi-experimental occurrence of heat waves by postal code to increases in sick leave and assess the implications for labor market inequality. On an average hot day, the number of sick leave cases increases by about 6% over the course of a week. With enduring heat exposure over five consecutive days, the effect grows by more than half. Heat-induced sick leaves distribute highly unevenly. Those who are already disadvantaged in terms of their income and working conditions are more vulnerable to heat stress. Workers who are more flexible in scheduling and adjusting their working hours are less at risk. Exploiting individual-level job trajectories and health conditions over time, we document that heat waves induce long-term switches to less heat-exposed occupations and long-term increases in the demand for all healthcare services, i.e. doctor visits, hospitalizations, and prescriptions.

Hamburg Lectures in Law and Economics

Jeromin Zettelmeyer, Director of Bruegel:

European Economic Security in an age of Interdependence

Abstract:

The EU has recently been placing greater weight on economic security as a distinct policy objective. How does this differ from past attempts to increase resilience and prevent crises? There is also a widespread view that increasing economic security should take the form of “de-risking” that preserves trade integrations as much as possible. But how do we determine exactly what needs de-risking? The presentation will seek to answer these questions and use the answers to the diagnose EU’s policy agenda on economic security. What has been achieved, where are the blind spots, and how can the chances of unintended consequences be minimised?

ACTIVITIES OF DEPARTMENT MEMBERS

Miscellaneous

- Prof. Benjamin Chen, Ph.D. (University of Hongkong) will visit our department until mid of June (host: Gerd Muehlheusser). He is an expert in the quantitative analysis of legal text, and he also teaches a doctoral course on text analysis. Whoever wants to meet with Ben can contact him directly (benched@hku.hk).

The next EconNewsletter will be published on Monday, June 3, 2024.

Editorial deadline: Friday, May 31, 2024.

EconNewsletter

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