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FAKULTÄT
FÜR WIRTSCHAFTS- UND
SOZIALWISSENSCHAFTEN

Fachbereich VWL / Department of Economics

EconNewsletter

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JULY 14 – JULY 18, 2025

NEWSLETTER 2025-18

SEMINAR CALENDAR

HCHE Research Seminar

[Meghan I. Esson, University of Iowa:](#)

Private Equity in Public-Provider Markets: Operating Efficiency vs. Cream-Skimming

Monday July 14
16:30-17:45
Esplanade 36, R. 4011/13

Quantitative Economics

[Chi Hyun Kim, Universität Bonn:](#)

Measuring the Effects of Aggregate Shocks on Unit-Level Outcomes and Their Distribution

Tuesday July 15
12:15–13:30
R. 0079 (VMP 5)

Hamburg Lectures in Law and Economics

[Klaus Gründler, Universität Kassel:](#)

The Willingness to Pay for Economic Narratives

Wednesday July 16
18:15–19:45
R. 223 (ILE)
Alsterterrasse 1

This seminar is held in a hybrid format. To register for online participation via Zoom, please send an E-Mail by 11:30 AM at the latest on the day of the lecture to lectures-ile@uni-hamburg.de.

ABSTRACTS

HCHE Research Seminar

Meghan I. Esson, University of Iowa:

Private Equity in Public-Provider Markets: Operating Efficiency vs. Cream-Skimming

Abstract:

We examine how private equity (PE) firms generate value in markets where they compete against government providers. Using novel data from Arizona's ambulance industry, we find PE-owned companies increase operating profits by 50% through cream-skimming: strategically exploiting regulations to shift unprofitable customers to the government while retaining high-profit customers. In the ambulance industry, they accomplish this by firing paramedics, which, due to nationwide staffing regulations, forces local fire departments to take the high-cost runs. This strategic reallocation of services only occurs where PE firms overlap with fire departments and impacts public health -- leading to 200 additional traffic fatalities in Arizona and a 7% increase nationally. Our findings demonstrate how PE profit maximization in mixed public-private markets can create substantial negative externalities for both public balance sheets and public health.

Hamburg Lectures in Law and Economics

Klaus Gründler, Universität Kassel:

The Willingness to Pay for Economic Narratives

Abstract:

Economic experts frequently comment on macroeconomic developments, but do people value these narratives? We combine a large-scale expert survey with a nationally representative household sample to examine the willingness to pay (WTP) for expert narratives in the high-stakes environment of the unprecedentedly high recession probability in 2024. We document a substantial WTP for economic narratives and find that individuals prefer dominantly consensus explanations over those that reinforce their prior beliefs. Moreover, acquired narratives shape respondents' expectations about future economic conditions, their understanding of recession drivers, and their spending beliefs. Our study highlights the potential of expert narratives as a tool to enhance economic literacy and to promote informed decision-making.

ACTIVITIES OF DEPARTMENT MEMBERS

New Publications

- **Doerr, L., Leppert, E. & W. Maennig (2025),** " Olympic Games and Democracy," *Economic Analysis and Policy* (accepted).

The next EconNewsletter will be published on Monday, October 13, 2025.

Editorial deadline: **Friday, October 10, 2025.**

EconNewsletter

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