

## Ph.D. Students Seminar

WiSe 2018/19

### Department of Economics

The seminar meets weekly or bi-weekly on Thursdays, **12:15-13:15** in **WiWi 2091/2201** (note the room change due to construction work in the usual room 0029).

Ph.D. students are invited to present their work, if their supervisor is a member of the economics department (“Erstmitglied” or “Zweitmitglied”). The supervisor should attend the presentation.

If you have questions, please contact **Melanie Krause** ([melanie.krause@uni-hamburg.de](mailto:melanie.krause@uni-hamburg.de)).

Presenter information: Please keep your presentation under **35 minutes** in order to have enough time for questions and discussions.

Date	Speaker	Title
25.10.2018	Presenter: Philip Schnaars Supervisor: Perino	The Real Substitution Effect of Renewable Electricity
08.11.2018	Presenter: Konstantinos Pilpilidis Supervisor: Voigt	The Times are a Changin': Explaining Challenges of Governmental Transgressions
22.11.2018	Presenter: Waldemar Beimer Supervisor: Maennig	Estimating Demand for Bike Sharing Stations
29.11.2018	Presenter: Dina Rabie Supervisor: Mühlheußner	Rotating Savings and Credit Associations: Do Temporal Preferences and Self-Control Matter?
06.12.2018	Presenter: Phoebe Wasfy Ishak Supervisor: Posch	Oil Price Shocks, Political Instability and the Shadow Economy
13.12.2018	Presenter: Heung Chun Tsang Supervisor: Funke	Not All Cities are Alike: House Price Heterogeneity and the Design of Macro-Prudential Policies in China
20.12.2018	Presenter: Luise Görge Supervisor: Beblo	Wage Earners, Homemakers & Gender Identity – Experimental Evidence on Couples' Labour Division
10.01.2019	Presenter: Johannes Roß Supervisor: Lange	Cheap Talk and Risk
17.01.2019	Presenter: Aidin Miri Lavasani Supervisor: Szimayer	Underpricing of Structured Products on the German Market

24.01.2019	Presenter: Silke Sturm Supervisor: Straubhaar	Political Competition: How to Measure Party Strategy in Direct Voter Communication?
31.01.2019	Presenter: Benedikt Maas Supervisor: Meyer-Gohde	Nowcasting GDP with Artificial Neural Networks

### **Abstracts:**

#### **25.10.18, Philip Schnaars: "The Real Substitution Effect of Renewable Electricity"**

How much emissions from thermal power plants are offset by renewable electricity depends on the timing of infeed, the source of this electricity as well as the generation technology of the thermal power plant. Solar electricity is the least effective renewable technology and lignite the least affected conventional source by renewable infeed.

#### **08.11.18, Konstantinos Pilpilidis: "The Times are a Changin': Explaining Challenges of Governmental Transgressions"**

The paper investigates the drivers of the decision to challenge ruler's transgressions and how this decision is made. A novel experiment is designed based on the one-shot coordinated resistance game by Weingast (1995). Participants challenge more than the equilibrium strategy only when the rule uses divide-and-conquer strategies, independent of whether they are the victims of transgression. The paper utilizes the response times of the participants to investigate this deviation. Evidence is found that the participants who challenged responded intuitively. This is evidence for the existence of a pro-social heuristic. Furthermore, when participants don't challenge, they appear to switch to reasoning. Hence, the working of social norms against transgression cannot be observed.

#### **22.11.18, Waldemar Beimer: "Estimating Demand for Bike Sharing Stations"**

Bike Sharing Systems (BSS) were implemented in many European, Asian and North American cities. We analyze different determinants of BSS usage for the biggest German BSS (Stadtrad). Our unique Dataset includes the real time availability of bikes and gasoline/diesel prices. Results are mostly robust to model specification.

#### **29.11.18, Dina Rabie, "Rotating Savings and Credit Associations: Do Temporal Preferences and Self-Control Matter?"**

Rotating Savings and Credit Associations (RoSCAs) are informal financial institutions widely prevalent in developing countries. One theory attributes this institution to the need for a

commitment device among sophisticated time-inconsistent individuals. This paper empirically tests this commitment theory using a laboratory experiment to elicit temporal preferences, and a questionnaire on self-control, RoSCA participation and RoSCA behavior among educated urban employees at the British University in Egypt (BUE).

**06.12.18, Phoebe Wasfy Ishak, “Oil Price Shocks, Political Instability and the Shadow Economy”**

In this paper, we study the impact of oil price shocks on incidences of protest over the period 1962-2015. We find that negative oil price shocks increase the likelihood of witnessing protests. To explain this, we show that negative oil price shocks had a strong positive significant effect on unemployment. We, then, investigate whether the shadow economy can mitigate the adverse consequences of price shocks. Using instrumental variables strategies, we find that the growth in the size of the shadow economy is driven in the short run by the growth in the size of unemployment (i.e. the substitution effect), whereas it is driven by per capita GDP growth in the long run (i.e. the income effect).

**13.12.18, Heung Chun Tsang: “Not All Cities are Alike: House Price Heterogeneity and the Design of Macro-Prudential Policies in China”**

This paper investigates the implementation of regionally differentiated macro-prudential policies in China. In order to assess the relative intensity of the city-level macro-prudential policies over time, we construct a time-varying city-level macro-prudential policy intensity indicator for 70 Chinese cities from 2010-2017. The empirical evidence shows that the Chinese macro-prudential tool-box has gradually evolved towards city-level policies tailored to granular local conditions to mitigate risks.

**20.12.18, Luise Görge: “Wage Earners, Homemakers & Gender Identity – Experimental Evidence on Couples’ Labour Division?”**

Why are women less likely to become breadwinners than men? To assess potential explanations, I study real heterosexual couples, 246 subjects, playing a specialisation game in the lab. I find that women become breadwinners at lower rates than men. This gender gap is mainly driven by gender differences in productivity, but amplified by two other factors: male overconfidence and women’s reluctance to assume sole responsibility for household income. While I find little evidence that gender identity affects labour division choices, men’s performance in the market task suggests identity concerns may impact gender differences in labour supply at the intensive margin: When the threat of being out-earned by their partner is high, men exert significantly more effort.

### **10.01.19, Johannes Ross: “Cheap Talk and Risk”**

The aim of this paper is to theoretically and experimentally determine how individuals adapt their lying behavior when the negative consequence of dishonesty on others is not a secure outcome, but a lottery. This can impact dishonesty choices in multiple ways. Potential liars may use the lottery to intrinsically justify selfish behavior. If liars have image concerns, especially small lies may profit from being less detectable if only the final outcome is observable to the deceived. In the experimental design presented in this paper, the degree of observability is varied between treatments, to capture the degree to which individuals profit from the lottery clouding actual behavior. One example for such a situation are pre-election campaign promises. Politicians may have more information than the public on how probable the implementation of a policy is. As many political issues are influenced by external factors (e.g. foreign policy), a negative outcome does not necessarily prove a politicians dishonesty. This gives politicians 'wiggle-room' to behave more selfish and the possibility to talk themselves out of the responsibility.

### **17.01.19, Aidin Miri Lavasani: “Underpricing of Structured Products on the German Market”**

This paper examines the price setting behavior of the issuers of structured products in the German market, by using the box-spread strategy, whereby the focus is on the underpricing of such products. This underpricing implies potential arbitrage opportunities. One key contribution of this paper is the great amount of data of the specific structured products, which are evaluated here. This data consists of all relevant base information (e.g. termination date, underlying and issuer) of every Discount certificate and Put warrant (both plain vanilla) issued between 2007 and 2015, that is, in total for 418,743 Discount certificates and 474,508 Put warrants with daily price observations of about 110 million and 80 million, respectively. The results indicate that around 0.1131% of the price data observations are violating the no-arbitrage condition.

### **24.01.19, Silke Sturm: “Political Competition: How to Measure Party Strategy in Direct Voter Communication?”**

Political competition, party strategy and communication in times of social media is a growing issue. Due to increasing social media presence of parties and voters alike, the direct communication became more important for party competition. This paper aims to improve the methodological approach to analyze political competition and communication. The dataset includes over 30,000 Facebook status messages by seven German parties from January 2014 until February 2018. Topic modelling, which is common in other fields, allows evaluating the party communication on a daily basis. The results show the high accuracy of calculating party relevant issues. In order to get an impression about the tone of the debate a sentiment analysis was conducted. The prevalence of topics and sentiments over time allows a precise monitoring of the political debate.

### **31.01.19, Benedikt Maas: "Nowcasting GDP with artificial neural networks"**

We use a machine learning approach to forecast the US GDP value of the current quarter. Within each quarter, the contemporaneous value of GDP growth is not available, but can be estimated using higher-frequency variables that are published in a more timely manner. Using the monthly FRED-MD database, we compare the feedforward artificial neural network forecasts of GDP growth to forecasts of state of the art dynamic factor models and evaluate the relative performance.