Ph.D. Students Seminar

WiSe 2019/20

Department of Economics

The seminar meets bi-weekly on Thursdays, **12:15-13:15** in **WiWi 2095/2197.**

Ph.D. students are invited to present their work, if their supervisor is a member of the economics department (“Erstmitglied” or “Zweitmitglied”). The paper should be at an advanced stage at the time of presentation (this is, ready for presentation at a conference). The supervisor is required to attend the presentation.

If you have questions, please contact **Melanie Krause** (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
24.10.2019	Presenter: Nada Maamoun Supervisor: Voigt	IEAs and compliance: do treaty linkages play a role?
05.12.2019	Presenter: Fanny Schories Supervisor: Mühlheußer	Institutional Choice, Culture and Cooperation
19.12.2019	Presenter: Patrick Harms Supervisor: Fritsche	The DCEs of the ECB’s Monetary Policies Before and After the Crisis
09.01.2020	Presenter: Christian Düben Supervisor: Krause	Geography, Institutions and Cities - Insights from Chinese Dynasties
16.01.2020	Presenter: Viola van Rienen Supervisor: Gundlach	Monte Carlo Simulations of Growth Regressions under Multiple Forms of Endogeneity
23.01.2020	Presenter: Thomas Paul Supervisor: Straubhaar	Empirical Analysis of Illiquidity Premia of German Real Estate Securities
30.01.2020	Presenter: Julia Samwer Supervisor: Voigt	How Labor Market Institutions Affect Technological Choices

Abstracts:

24.10.2019, Nada Maamoun: “IEAs and compliance: do treaty linkages play a role?”

International environmental agreements (IEAs) usually address cross-border public good, therefore they are faced with free-riding problems. Generally, the incentives of states to comply with such treaties are low as the benefits of compliance do not always outweigh the cost. Literature has pointed towards the importance of these IEAs to be designed in a way such that they are self enforcing, that is, only the internal treaty characteristics matter for compliance. While in theory self-enforcing contracts for international environment problems are possible, the empirical literature has shown that states are not willing/able to institutionalize these kind of treaty characteristics (e.g. with a strong enforcing mechanism). There are several ways to incentivize compliance such as introducing monitoring mechanisms, capacity building mechanisms or through linking IEAs to other treaties. The aim of this paper is to dig deeper into the association of using such mechanisms and in specific treaty linkages and the compliance with treaty. The focus is on treaty linkages is of specific interest as these interactions are of some controversy in the international legal scholarship. In a first step, the interactions between IEAs and other international law regimes is examined, in particular whether they reenforce or conflict with each other. In a second step a tentative empirical analysis sheds light on the relationship between treaty linkages and the compliance rate with the treaty. Data is on the treaty level.

05.12.2019, Fanny Schories: "Institutional Choice, Culture and Cooperation"

I use economic lab experiments to examine the effect of more or less participatory decision-making procedures on cooperative behavior. There is evidence of a large democracy premium – a democratic decision increases cooperativeness – especially among subjects who initially preferred a different outcome. The experimental design controls for selection and information effects, and additional treatments isolate *authority* and *legitimacy* as two potential driving factors behind the democracy premium. Furthermore, a replication study in Egypt investigates whether the democracy premium is robust across cultures and interacts democratic preferences with religiosity and authoritarian values.

19.12.2019, Patrick Harms: "The DCEs of the ECB's Monetary Policies Before and After the Crisis"

The dynamic causal effects of the ECB's monetary policies before/during and after the crisis are estimated in a SVAR framework. For the two sample periods, instruments directly related to the ECB's monetary measures are used to identify the structural parameters of the model. The results show that the effect of monetary policy shocks differ in the two time periods: While monetary policy pre-dominantly influenced prices indirectly through the Phillips-curve before/during the crisis, the direct impact on prices has become stronger after the crisis while the channel through economic activity has become weaker. Since the post-crisis sample coincides with most non-standard monetary measures, this result provides evidence for the effectiveness of the ECB's non-standard measures to fulfill its mandate

09.01.2020, Christian Düben: "**Geography, Institutions and Cities - Insights from Chinese Dynasties"**

The emergence and growth of cities are shaped by both geographical features and institutional factors with strong history dependence. Yet the precise interplay of these factors is still an open question. We exploit a unique data set on cities in historical China from 221 BCE to 1911 CE, a geographically diverse but centrally governed empire with strong institutional path dependence. Developing both a stylized theoretical model and using machine-learning techniques, we isolate several mechanism between geography, geo-politics and city status. Our preliminary results suggest that geography has a limited direct influence on the location of cities. But for higher-status prefecture seats, there is another, indirect effect operating through geographically determined prefecture borders and a central location within these prefectures. We also find evidence that many historic prefecture seats still enjoy a special status nowadays, underlining the modern relevance of these historical factors.

16.01.2020, Viola van Rienen: "Monte Carlo Simulations of Growth Regressions under Multiple Forms of Endogeneity"

Monte Carlo simulations of growth regressions have been used to study the performance of alternative dynamic panel estimators in the presence of omitted variables, reverse causality, and measurement error. My research provides four extensions. The physical capital share in factor income rather than the rate of convergence is used as a theoretical point of reference. The three potential sources of bias are considered simultaneously. Instrument reduction techniques for dynamic panel GMM estimators are incorporated. The simulated parameter estimates are compared not only based on the magnitude and bias but also the root mean squared error.

23.01.2020, Thomas Paul: "**Empirical Analysis of Illiquidity Premia of German Real Estate Securities"**

This paper analyzes illiquidity premia and the effect on expected returns of German securities, which refer to the German and, to a lesser extent, on international real estate market. We are using a unique data set that includes real estate stocks, REITs, open- and closed-end funds covering the period 2003 to 2017 and follow the structural approach of Amihud (2002). Firstly, we estimate illiquidity factors for the German real estate market, based on Amihud's *ILLIQ*. Secondly, we investigate the relationships between expected returns and their measurable illiquidity as well as other factors in cross-sectional regressions. Thirdly, we analyze the effects of the expected and unexpected illiquidity of the market on future returns. We find that Amihud's *ILLIQ* plays an important role in return expectations for real estate stocks and REITs. However, the effects on open and closed-end real estate funds are less clear.

<u>30.01.2020, Julia Samwer</u><u>: "</u>**<u>How Labor Market Institutions Affect Technological Choices"</u>**

Does the adaption of technological change depend on labor market institutions? The returns to introducing new technology differ across countries since they depend on skill-levels but also incentives provided by labor market institutions. Wage compression through unions and minimum wage laws therefore indirectly induce technological change, as the employer can claim the full difference in productivity levels. The magnitude of the technological advancement also defines adoption rates. Small technical changes are adopted in any institutional environment whereas larger technical progress is more likely to be integrated in rigid institutional settings. Using data on industrial robots and information and communication technology an empirical cross-country analysis explores the impact of institutional labor market patterns on technological choices and hence their influence on wage patterns and unemployment.