

Ph.D. Students Seminar

WiSe 2020/21

Department of Economics

The seminar meets (bi-)weekly on Thursdays, **12:15-13:15**.

Due to the corona pandemic, it will be held in an online format in the winter semester 2020/21. Presenters will hold their presentation via Zoom (presentation slides plus audio comments).

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
12.11.2020	Presenter: Daniel Huber Supervisor: Bauer	Liquidity and Mispricing
26.11.2020	Presenter: Jan Biermann Supervisor: Mechtenberg	How Communication Affects the Willingness to Collectively Share Funds with Group Outsiders. A Lab-In-The Field Experiment in Schools
10.12.2020	Presenter: Björn Bos Supervisor: Drupp	Fishing under the Radar: Compliance with Fishing Bans
07.01.2021	Presenter: Doudou Zhong Supervisor: Funke	The Political Globalisation Trilemma Revisited: An Empirical Assessment across Countries and Over Time
04.02.2021	Presenter: Raffael Kamalow Supervisor: Siedler	An Empirical Evaluation of the Zero Blood Alcohol Concentration (BAC) Limit for Young and Novice Drivers in Germany
18.02.2021	Presenter: Christian Düben Supervisor: Krause	Real Iceberg Transport Costs: The Effects of the North-Atlantic Iceberg Drift on Trade and Inequality

Abstracts:

12.11.2020: Daniel Huber, "Liquidity and Mispricing"

I document a strong liquidity premium in long/short portfolio returns based on the Stambaugh, Yu, and Yuan (2015) mispricing score. This premium can be mainly attributed to arbitrage asymmetry among very illiquid stocks. To explore this relation in greater detail, I analyze the effect of liquidity shocks on the magnitude of mispricing. In the overall sample, negative liquidity shocks lead to an increase in mispricing. Controlling for the state of the economy by means of the cross-sectional empirical distribution function of liquidity shocks measured on firm level, in a neutral market environment both negative and positive liquidity shocks lead to an increase in mispricing. In a strong market environment only negative liquidity shocks cause an increase in mispricing. In a weak market environment, the magnitude of mispricing is not affected by liquidity shocks of either direction. Liquidity and liquidity shocks manifest as strong predictors of future returns, controlling for individual mispricing components as well as composite mispricing. These findings suggest that liquidity is an important determinant of mispricing in international equity markets.

26.11.2020: Jan Biermann, "How Communication Affects the Willingness to Collectively Share Funds with Group Outsiders. A Lab-In-The Field Experiment in Schools"

Communication plays a crucial role in shaping collective decisions. This paper examines how communication influences willingness to collectively share funds with refugees as well as trust among decision-makers. To investigate these topics, we examine data from a lab-in-the-field experiment with school minors from 13 schools. Importantly, we analyze textual data, which results from a free-form chat in our experiment. We find a positive impact of communication on willingness to collectively share funds and no effect on trust. We discuss possible explanations for our findings such as social pressure and the type of language that participants use in the chat.

07.01.2021: Doudou Zhong, "The Political Globalisation Trilemma Revisited: An Empirical Assessment across Countries and Over Time"

The political hyperglobalisation trilemma asserts that a government cannot simultaneously opt for deep international integration, national sovereignty and democratic politics, but rather is constrained to choosing two of the three at most. This paper presents a new and comprehensive cross-country panel dataset operationalising the multifaceted three vertices of the trilemma. After an explorative data analysis, we employ panel error-correction techniques to uncover the mutual interdependencies among the variables in the system. The econometric evidence supports the existence of a long-run relationship between economic integration, national sovereignty and democratic politics as postulated in the political globalisation trilemma.

04.02.2021: Raffael Kamalow: "An Empirical Evaluation of the Zero Blood Alcohol Concentration (BAC) Limit for Young and Novice Drivers in Germany"

On 1 August 2007, the "alcohol ban for novice drivers" (StVG, § 24c) came into force nationwide. The objective of the law was to reduce alcohol-related accidents among young and inexperienced drivers. The law sets a zero blood alcohol concentration (BAC) limit for all drivers below the age of 21 and also for drivers in the probationary period (novice drivers). I implement a DID-design to estimate the

effect of the new law on alcohol-related traffic outcomes (involvement of drunk drivers in accidents, alcohol-related road fatalities, injuries due to alcohol-related road accidents). However, due to a data limitation, the DID-design is fuzzy (de Chaisemartin & D'Haultfœuille, 2018), which complicates the empirical analysis.

18.02.2021: Christian Düben: "Real Iceberg Transport Costs: The Effects of the North-Atlantic Iceberg Drift on Trade and Inequality"

Using data on the North-Atlantic iceberg drift that seasonally forces vessels on longer trade routes, and millions of ship locations between 1850 and 1945, we observe exogenous variation in the distance of maritime transport routes between North America and Europe. We evaluate how these iceberg-induced distortions in international trade affect the U.S. economy. After analyzing economy-wide effects, we zoom in on the cotton industry in which the United States used to be the largest producer and the United Kingdom's textile industry the largest consumer. The cotton trade's vast scope and meticulous documentation allow us to identify mechanisms that are both relevant and precise. We find a negative impact of iceberg-induced distances on export overall and observe a reduction in cotton production following seasons of stronger iceberg interference. The number of bankruptcies in the agricultural sector rises, farmers dedicate less land to cotton cultivation in the subsequent year, and farming wages drop in the short run. The results also indicate a regional effect heterogeneity, stressing regional inequality. As with improving transportation technology the distance shock's impact fades over time, we document the "death of distance". This highlights that the "distance puzzle" in international trade is not about shipping distances, but rather about factors indirectly related to distance.