

# Newsletter 21/2018

ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN BERGHEIMER STR. 58, 69115 HEIDELBERG, TEL. 06221/54-2941 REDAKTION: FREYA SCHADT, EMAIL: NEWSLETTER@AWI.UNI-HEIDELBERG.DE

# **Upcoming Seminars**

Tuesday, 16.10.2018 Economics and Politics Seminar

13.45-14.45 Philip Verwimp, Université Libre de Bruxelles

AWI 01.030 "The Political Economy of School Test Scores"

## **Abstracts**

#### **Economics and Politics Seminar**

Philip Verwimp

"The Political Economy of School Test Scores"

The northern provinces of Burundi have suffered from subordination in the education system since independence. This paper shows that the current, northern-led regime has chosen a drastic way to reverse that subordination. The national test (Concours National) at the end of primary school is at the heart of the matter. Using the universe of individual test score data which can be used to construct a three-year school-level panel data set and difference-in-differences analysis, the paper shows strong improvements in test scores in northern versus southern schools since the ruling party won an absolute majority in the 2010 elections. Schools situated in very poor, rural areas in the north now score as high as schools in non-poor areas of the capital. The paper finds that higher success rates, higher mean test scores and lower standard deviations are explained by the % of votes at the municipality level obtained by the ruling party in the 2010 parliamentary elections. (Changes in) school budgets do not explain the findings. The latter are interpreted in the political economy of education reform in Burundi.

## **Talks and Research Visits**

**Jörg Oechssler** presented the paper "Measuring skill and chance in games" (joint work with Marco Lambrecht and Peter Duersch) at the Behavioral Decision-Making Workshop in Konstanz, October 6.

**Andis Sofianos** presented the paper "Self-reported & Revealed Trust: Experimental Evidence" at the 2018 Conference on Decision Sciences organized by the Graduate School of Decision Sciences at the University of Konstanz, September 25-28.

**Marco Lambrecht** presented the paper "Measuring skill and chance in games" (joint work with Jörg Oechssler and Peter Duersch) at the 35th Annual Conference of the European Association of Law and Economics at the University of Milano-Bicocca, September 20-22.

**David Vespermann** presented the paper "Effects of a European Unemployment Insurance" (joint work with Zeno Enders) at the Doctoral Workshop on Quantitative Dynamic Economics, University of Konstanz, September 21.

**Clive Bell** participated in the UNO-WIDER conference 'Think Development – Think WIDER', Helsinki, September 13-15. He gave a talk entitled, "Prices and Quantities in Social Cost-Benefit Analysis", at the Christian Michelsen Institute, Bergen, on September 17, with further discussions on September 20. He also engaged in discussions with members of the faculty and doctoral candidates at the Norwegian Business School on September 19.

**Sarah Langlotz** presented the paper "Foreign Interventions and Community Cohesion in Times of Conflict" at the ISF Workshop on Domestic Political Changes and International Agreements in Haifa, Israel, September 15.

**Jürgen Eichberger** was awarded the Weatherall Fellowship at Queens University in Canada. In the context of his fellowship, he presented a paper on "Decision Theory with a State of Mind Represented by an Element of a Hilbert Space: The Ellsberg Paradox" (joint with Hans Jürgen Pirner), and offered a mini-course on "Game Theory with Strategic Ambiguity" for graduate students and staff, September, 10-14.

**Jürgen Eichberger** presented "Equilibrium under Ambiguity (EUA) for Belief Functions" (joint with Adam Dominiak) at the research summer of McGill University in Montreal, September 7.

**Christian Conrad** presented the paper "Two are better than one: volatility forecasting using multiplicative component GARCH models" (joint with Onno Kleen) at the Annual Conference of the German Economic Association, Freiburg, September 5.

At the annual conference of the *Verein für Socialpolitik* in Freiburg, September 2-5, the following papers were presented, inter alia: **Zeno Enders** "Firm expectations and economic activity" (with Franziska Hünnekes and Gernot Müller;) and he also served as a member of the preparatory committee; **Jörg Oechssler**: "Copy Trading"; **David Vespermann**: "Effects of a European Unemployment Insurance" (with Zeno Enders).

**Christian König** visited the *Department of Banking and Finance* at Innsbruck University, from September 10 to October 5. During his stay, he presented the project "Investing for others: Principals' vs. agents' preferences" (joint work with Luisa Kling and Stefan Trautmann) at the SFB Research Seminar.

**Alexander Glas** presented his paper "Overconfidence versus rounding in survey-based density forecasts" (with Matthias Hartmann), at the Annual Congress of the Econometric Society, Cologne, August 27-31, and the Annual Conference of the German Economic Association, Freiburg, September 02-05.

# **New Working Papers**

Fuchs, Andreas and Angelika Müller: "Democracy and Aid Donorship". Kiel Working Paper Series No. 2113, September 2018. Online: <a href="https://www.ifw-kiel.de/de/publikationen/kieler-arbeitspapiere/democracy-and-aid-donorship-11598/">https://www.ifw-kiel.de/de/publikationen/kieler-arbeitspapiere/democracy-and-aid-donorship-11598/</a>

Please also see latest AWI Discussion Papers No 651-655 here.

### **New Publications**

Dengler, S., R. Gerlagh, S. T. Trautmann, and G. van de Kuilen (2018). <u>Climate Policy Commitment Devices</u>. *Journal of Environmental Economics and Management*, forthcoming.

Fehr, Dietmar, Frank Heinemann, and Aniol Llorente-Saguer (2018). "The Power of Sunspots: An Experimental Analysis", *Journal of Monetary Economics*, forthcoming.

Conrad, C., and M. Hartmann (2018). "On the determinants of long-run inflation uncertainty: Evidence from a panel of 17 developed economies." *European Journal of Political Economy*, forthcoming.

"Global Banking, Trade, and the International Transmission of the Great Recession" by Alexandra Born and Zeno Enders was accepted for publication in *The Economic Journal*.

The paper "Heterogeneous Consumers, Segmented Asset Markets, and the Effects of Monetary Policy" by Zeno Enders was accepted for publication in *The Economic Journal*.

The following article has appeared online, with a volume and issue number to be assigned in the fullness of time: Clive Bell and Susanne van Dillen, "On the way to good health? Rural roads and morbidity in upland Orissa", *Journal of Transport and Health*, (forthcoming), DOI 10.1016/j.jth.2018.06.010.

#### **Miscellaneous**

The following PhD students successfully defended their thesis (superviser in brackets): **Katharina Richert** on *Empirical Evidence on Development Effectiveness: From Macroeconomic Structures to Micro-Level Implementation* (Axel Dreher), September 24, 2018. **Tobias Pfrommer** on *Four Essays in the Law and Economics of Novel Technologies* (Timo Goeschl) September 10, 2018; **Ole Monscheuer** on *Essays on the Economics of Migration* (Christina Gathmann), September 10, 2018; **Benjamin Held** on *Wirtschaftliche Auswirkungen der Internalisierung externer Kosten des Konsums. Eine empirische Analyse der sozialen Verteilungswirkungen* (Hans Diefenbacher), July 7, 2018.

Matthias Quinckhardt, PhD student at the chair of Christina Gathmann, received a PhD scholarship by the German Academic Scholarship Foundation.

## **New and Leaving Staff**

Sebastian K. Rüth (room 00.023a) joint the AWI as a PostDoc, in September. After receiving a PhD (Dr. rer. pol.) from the University of Würzburg under the supervision of Peter Bofinger in 2016, he was working as a PostDoc in the research group of Gert Peersman within the Financial Economics Department at Ghent University for two years. As an applied macroeconomist, Sebastian's fields of research comprise monetary policy, macroeconometrics, and financial economics. His recent work focuses on the interaction between financial markets and the macroeconomy.



Gaspare Tortorici (Room 127a, Bergheimer Str. 20) has just joined the Chair of Labour Economics and Political Economy directed by Prof Christina Gathmann. He pursued his PhD at Trinity College Dublin (Ireland) after having completed a MSc in Economics at the University of St Andrews (Scotland) and a Bachelor's Degree in Law, Business and Economics at the Università Politecnica delle Marche (Italy). His research interests revolve around migration, labour economics, economic history and, more generally, applied microeconomics. He is currently working on the age of mass migration (from the 1870s to WWI), with a focus on the micro-level determinants of such flows. www.gasparetortorici.info



**Arjun Sengupta** (room 0.004) joined the AWI to work at the Chair of Christopher Vanberg. Before, he worked as a PostDoc at Nanyang Technological University, Singapore. He received his PhD in Economics from Ohio State University and his Diploma in Math from Delhi University, India. His research interests are in the fields of experimental and behavioral economics. His current work focuses on understanding when and why informal commitments increase cooperative behavior in social dilemmas.



Editorial deadline for issue 22/2018 of the newsletter: Wednesday, October 17, 2018, 12 p.m. newsletter@awi.uni-heidelberg.de

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