

BONN ECON NEWS

October 7–11, 2024

Overview

People

New at the department

Workshops and seminars

Tuesday, October 8, 2024

BGSE Applied Microeconomics Workshop

Simon Cordes (BGSE)

“Jobseekers’ Search Strategies”

BGSE Applied Microeconomics Workshop

Daniele Mauriello (BGSE)

“Motivated Reasoning and Bounded Rationality—Independence or Interaction?”

Wednesday, October 9, 2024

BGSE Micro Workshop

Francesc Dilme (University of Bonn)

“Fully Self-Justifiable Outcomes”

Finance/CRC Seminar

Madalen Castells (ECB)

TBA

Micro Theory Seminar

László Végh (University of Bonn)

“Fair allocations: competitive equilibrium versus Nash welfare”

Thursday, October 10, 2024

Econometrics & Statistics

Andrei Zeleneev (University College London)

TBA

People

New at the department

Barschkett, Mara

Position: Postdoctoral Researcher, IAME

Research Interests: Health/Labor Economics

Brinkmann, Christina

Position: Postdoctoral Researcher, IFS

Research Interests: Finance & Labor

Dasgupta, Sulanga

Position: Postdoctoral Researcher, IME

Research Interests: Mechanism/Information Design

Hildebrand, Sebastian

Position: Postdoctoral Researcher, MEE

Research Interests: Monetary Policy, Inequality

Höppner, Björn

Position: Postdoctoral Researcher, IFS

Research Interests: Econometrics and Statistics

Hütsch, Leon

Position: Postdoctoral Researcher, MEE

Research Interests: Labor Economics

Jain, Atulya

Position: Postdoctoral Researcher, IME

Research Interests: Information/Behavioral Economics

Morozov, Vladislav

Position: Assistant Professor in Econometrics, IFS

Research Interests: Nonparametric/Semiparametric Statistics

Pekkarinen, Teemu

Position: Postdoctoral Researcher, ECONtribute/IME

Research Interests: Information Economics, Game Theory

Schirmer, Phillipp

Position: Postdoctoral Researcher, ECONtribute

Research Interests: Behavioral/Experimental Economics

Spencer, Adam

Position: Assistant Professor of Macroeconomics, MEE

Research Interests: International Economics, Corporate Finance

Stenhammar, Aapo

Position: Assistant Professor, IAME

Research Interests: Labor Economics, Economic History

Végh, László

Position: Hertz Chair for Mathematics, Modelling and Simulation of Complex Systems, HCM

Research Interests: Algorithms, Game Theory

Weber, Johannes

Position: Postdoctoral Researcher, IAME

Workshops and seminars

Tuesday, October 8, 2024

BGSE Applied Microeconomics Workshop

Simon Cordes
(BGSE)

"Jobseekers' Search Strategies"

Coauthors

Max Müller, Malte Jacob Rattenborg

Time

13:00–14:00 CET

Location

IZA, Conference Room, Schaumburg-Lippe-
Straße 9

Abstract

Models of job search assume that jobseekers are attentive to the job search environment and know how to map the environment into an optimal level of search effort. In a survey with jobseekers from the United States, we show that both assumptions are often violated. First, we show that jobseekers are subject to *imperfect attention*: when stating which factors affect their search behavior, most jobseekers identify only a subset of the relevant environment. Second, even when drawing attention to the job search environment, jobseekers report highly *heterogeneous responses* to shocks in environmental variables. Instead, a substantial share of jobseekers uses simplifying *job search strategies*, e.g., providing constant effort over the unemployment spell. Our results help explain the empirically observed insensitivity of search behavior to (i) changes in the search environment and (ii) the arrival of new information.

Daniele Mauriello
(BGSE)

"Motivated Reasoning and Bounded Rationality—
Independence or Interaction?"

Time

14:15–15:15 CET

Location

IZA, Conference Room, Schaumburg-Lippe-
Straße 9

Abstract

Over the past few decades, behavioral economists documented a number of cognitive biases that affect individual decision-making. More recently, research has also highlighted how individuals' motives shape belief formation. However, the extent to which cognitive biases interact with such motives remains unclear (Exley and Kessler, 2024). This project investigates whether, in such motivated settings, the correlation neglect heuristic provides a rationalization for individuals to justify their desired conclusions. Additionally, it explores whether, in cases where reliance on the heuristic does not lead to the desired conclusions, motives can debias individuals' reasoning. I first develop a simple theoretical model that explains the interaction between motivated reasoning and bounded rationality, offering a formal framework to understand the studied relationship. I then empirically test this relationship through an experiment featuring a 2×2 factorial design. Subjects face a simple estimation task, and I manipulate (i) the presence of a motive to hold certain beliefs, as well as (ii) the possibility for correlation neglect to occur. Preliminary results do not corroborate the hypothesised interaction between motivated reasoning and bounded rationality. When individuals are exposed to the two different types of bias, it appears that they only engage with one bias at a time.

BGSE Micro Workshop

Francesc Dilme (University of Bonn)	"Fully Self-Justifiable Outcomes"
<p>Time 12:00–13:00 CET</p> <p>Location Juridicum, Reinhard Selten Room (0.017)</p>	<p>Abstract</p> <p>McLennan (1985) defined a justifiable equilibrium as a sequential equilibrium with beliefs consistent with an iterative process of exclusion of implausible actions. While justifiability is intuitive, it has limited selection power and is not clearly related to other equilibrium notions. We introduce a stronger concept, called fully self-justifiable outcome, which requires support by justifiable equilibria independently of the order of the exclusion of actions that are implausible under the given outcome. We argue that full self-justifiability has a significant selection power: Fully self-justifiable outcomes are supported by both justifiable and forward induction equilibria (Cho, 1987) and, in signaling games, are universally divine (Banks and Sobel, 1987) and pass the Intuitive Criterion, D1, D2, and NWBR (Cho and Kreps, 1987). We show that sequentially stable outcomes (Dilmé, 2024c) are fully self-justifiable, ensuring that fully self-justifiable outcomes always exist and can be used to obtain stable behavior.</p>

Finance/CRC Seminar

Madalen Castells (ECB)	TBA
<p>Time 14:45–16:00 CET</p> <p>Location Juridicum, Faculty Lounge (0.036)</p>	<p>Abstract TBA</p>

Micro Theory Seminar

László Végh
(University of Bonn)

"Fair allocations: competitive equilibrium versus Nash welfare"

Coauthors

Jugal Garg, Yixin Tao

Time

16:30–17:45 CET

Location

Juridicum, Faculty Meeting Room (U1.040)

Abstract

We consider fair division problems where a set of common goods or resources have to be allocated to a group of agents. We focus on the setting when the goods are divisible and no monetary transfers are allowed. Two classical fair allocation approaches are Competitive Equilibrium with Equal Incomes (CEEI), and maximising Nash welfare. In the case of degree one homogeneous utility functions, these two solution concepts coincide. However, they can lead to different outcomes in general; the talk will focus on the relationship between these two concepts. In particular, we introduce a broad class of utility functions, called Gales-substitutes, and show that the two concepts are closely related in this class. This is joint work with Jugal Garg (UIUC) and Yixin Tao (SUFE).

Thursday, October 10, 2024

Econometrics & Statistics

Andrei Zeleneev
(University College London)

TBA

Time

16:15–17:15 CET

Location

Juridicum, Faculty Lounge (0.036)

Abstract

TBA