

BONN ECON NEWS

January 27–31, 2025

Overview

Workshops and seminars

Monday, January 27, 2025

Selten Lecture

Ulrike Malmendier (University of California in Berkeley)

“CEO Social Preferences and Layoffs”

Tuesday, January 28, 2025

BGSE Brown Bag Seminar in Applied Microeconomics

Luca Michels (BGSE)

“Complexity and Range-Based Choice”

BGSE Brown Bag Seminar in Applied Microeconomics

Iris Stornik (BGSE)

“Expected Returns to Parenting Styles: Perceived Impacts on Educational Outcomes, Mental Health, and Self-Worth”

Bonn Applied Microeconomics Seminar (CRC TR 224 Seminar)

Luca Braghieri (Università Bocconi)

“Article-Level Slant and Polarization in News Consumption on Social Media”

Wednesday, January 29, 2025

BGSE Micro Workshop

Jiani Kang (BGSE)

“Pricing Under Limited Attention”

BGSE Micro Workshop

Jonas Holler (BGSE)

“Communication in Matrix Organizations”

Finance/CRC Seminar: no seminar!

Thursday, January 30, 2025

Econometrics & Statistics: no seminar!

Friday, January 31, 2025

Applied Micro Coffee

Daniele Mauriello (University of Bonn)

“Mental Models of Stock Market Dynamics: The Impact of Attention Allocation”

Bonn Macro Internal Seminar

Johannes Weber (University of Bonn)

“Regional Occupations, Local Rents and Worker Mobility”

Workshops and seminars

Monday, January 27, 2025

Selten Lecture

Ulrike Malmendier
(University of California in Berkeley)

"CEO Social Preferences and Layoffs"

17:00–18:00 CET

Online

Zoom-Link will be sent after registration.
Click [here](#) to register.

Ulrike Malmendier will address the impact of CEO social preferences on firms' labor adjustment. Managerial preferences arising through social interactions are an economically important factor regarding the number of layoffs during the CEO's tenure. In this context, the influence on the manager's accelerated long-run mortality is also addressed.

Tuesday, January 28, 2025

BGSE Brown Bag Seminar in Applied Microeconomics

Luca Michels
(BGSE)

"Complexity and Range-Based Choice"

Time

12:30–13:15 CET

Location

IZA, Conference Room, Schaumburg-Lippe-
Straße 9

Abstract

Context matters for choice. Theories of range-based choice posit that context effects in multi-attribute choice are guided by the attributes' ranges of outcomes in the choice set. Surprisingly, the most prominent theories of range-based choice, focusing and relative thinking, make conflicting assumptions on how the range impacts which attributes are important for people's choices. While there is evidence for both models in different settings, it has been speculated that complexity mediates between focusing and relative thinking. In this project, I develop a conceptual framework that illustrates the interplay of complexity and the two cognitive processes of attending to and perceiving attribute values. Building on the framework, I provide an experimental design to test complexity's proposed role in range-based choice: In complex settings people choose according to focusing, whereas choices are in line with relative thinking in simple settings.

BGSE Brown Bag Seminar in Applied Microeconomics

Iris Stornik
(BGSE)

"Expected Returns to Parenting Styles: Perceived Impacts on Educational Outcomes, Mental Health, and Self-Worth"

Time

13:15–14:00 CET

Location

IZA, Conference Room, Schaumburg-Lippe-
Straße 9

Abstract

A child's human capital, comprising various skills and character traits, is significantly shaped during childhood and adolescence. The family environment, particularly parents, plays a crucial role in this development. This study investigates expectations about the effects of different parenting styles on children's human capital outcomes, focusing on educational achievements, mental health, and self-worth. Additionally, it explores how these expectations relate to parenting behaviour. The study utilises an online survey of the German population with hypothetical parenting style vignettes to elicit expectations. Findings reveal significant variations in individual expectations across parenting style scenarios. On average, participants associate warm parenting styles, such as authoritative and permissive approaches, with the highest human capital outcomes. Heterogeneity in expectations is partially explained by gender, age, and educational background. Furthermore, the study suggests that participants' parenting style choices are associated with expectations about educational outcomes and participants' childhood parenting experiences. This study contributes to existing literature on parental investment beyond considerations on educational achievement, as it explores expected effects of parenting on mental health and self-worth. The findings have implications for targeted policy interventions aimed at understanding parenting's developmental consequences.

Bonn Applied Microeconomics Seminar (CRC TR 224 Seminar)

Luca Braghieri
(Università Bocconi)

"Article-Level Slant and Polarization in News Consumption on Social Media"

Coauthors

Sarah Eichmeyer, Ro'ee Levy, Markus Mobius, Jacob Steinhardt, Ruiqi Zhong

Time

14:15–15:30 CET

Location

IZA, Conference Room, Schaumburg-Lippe-Straße 9

Abstract

There is widespread concern that the social media ecosystem drives users to engage with like-minded news articles, thereby fostering polarization in news consumption. Methodological limitations in estimating slant at the article level have made evaluating these claims difficult. We use data on the near universe (ca. 1 million) of hard news articles published online by the top 100 U.S. news outlets in 2019, together with recent advances in natural language processing, to obtain a content-based measure of slant at the article level. Our main finding is that the degree of polarization in news consumption on social media is arguably high. Specifically, the mean slant difference between articles consumed by conservative and liberal users on Facebook is 1.5 times the ideological distance between the average New York Times and Foxnews.com article. We also show that: i) The majority (65%) of the variance in slant across articles arises within outlets, rather than across outlets, highlighting the importance of measuring slant at the article rather than the outlet level. ii) Most news produced is centrist, but the tails of the slant distribution are thick, and there is substantial variation in slant across news type and topic. iii) Extreme content is much more likely to be shared widely on Facebook than moderate content. iv) There is substantial pro-attitudinal news consumption on Facebook even within the same outlet. v) Polarization in news exposure can account for the majority of polarization in news consumption on Facebook.

Wednesday, January 29, 2025

BGSE Micro Workshop

Jiani Kang
(BGSE)

"Pricing Under Limited Attention"

Time

11:00–11:40 CET

Location

Juridicum, Reinhard Selten Room (0.017)

Abstract

We study a market where two firms sell the same product, priced through a two-part structure: a headline price set by each firm and an additional price contingent on whether the market is regulated. While firms are aware of the regulatory environment, consumers are not. After randomly observing one firm's headline price, consumers, constrained by limited attention, must decide either to browse the competitor's price or study the regulatory environment. After acquiring information, they determine where and how many units to purchase. Our preliminary result characterises the firms' pure-strategy equilibrium pricing behaviour.

BGSE Micro Workshop

Jonas Holler (BGSE)	"Communication in Matrix Organizations"
Time 11:45–12:45 CET	Abstract In recent decades, many organizations have shifted from traditional one-dimensional functional or divisional structures to a two-dimensional matrix structure. Characteristics often found in matrix organizations are dual reporting, shared authority, and cross-functional teams. Taking those characteristics into account, we develop a model of strategic bottom-up communication within organizations to compare both organizational structures. In our model, senders send cheap talk messages à la Crawford and Sobel (1982) to inform managers taking decisions that require both coordination with each other and adaptation to local conditions. We find that in matrix structures, communication is less precise than in one-dimensional structures, resulting in poorer adaptation but improved coordination. When the need for coordination is high, the organization's headquarter prefers the matrix, as its advantage in coordination outweighs its disadvantage in adaptation. This effect is stronger when managers are more biased towards their specific function, placing greater emphasis on particular decisions.
Location Juridicum, Reinhard Selten Room (0.017)	

Finance/CRC Seminar: no seminar!

Thursday, January 30, 2025

Econometrics & Statistics: no seminar!

Friday, January 31, 2025

Applied Micro Coffee

Daniele Mauriello (University of Bonn)	"Mental Models of Stock Market Dynamics: The Impact of Attention Allocation"
Coauthor Marco Forti	Abstract Drawing on recent attention-based theories of cognition, we investigate whether investors' attention to different features of the investment decision plays a role in determining their mental model of stock market dynamics. We propose a laboratory experiment where we infer participants' mental models by eliciting expectations about future stock returns based on historical price patterns. By manipulating the salience of these patterns, we assess how directing attention to different features of the decision problem shapes the mental models investors employ. This project contributes to the behavioral finance literature by offering novel insights into the role of attention in shaping investment decisions.
Time 11:00-11:45 CET	
Location IZA, Conference Room, Schaumburg-Lippe-Straße 9	
Hybrid https://uni-bonn.zoom-x.de/j/67208563416?pwd=MhXepJyBzPIIDTDzT1YmKlpIVtHuf6.1	

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Bonn Macro Internal Seminar

Johannes Weber
(University of Bonn)

"Regional Occupations, Local Rents and Worker Mobility"

Time

15:30–16:10 CET

Location

Kaiserplatz 7–9, Room 4.006

Abstract

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