



Upcoming Seminars

Monday, 16.10.2023

Departmental Seminar

13.30-14.30

Eric Snowberg, Utah University

AWI room 00.010

"The Stability of Behavioral (and Other) Measures"

(Host: Dietmar Fehr)

Wednesday, 18.10.2023 Internal Seminar

12.15-13.15

Jonas Frey, Oxford University

AWI room 00.010

"Which stock return predictors reflect mispricing"

(Host: Stefan Trautmann)

Abstracts

Departmental Seminar

Eric Snowberg

"The Stability of Behavioral (and Other) Measures"*

We repeatedly administered an incentivized survey to a representative sample of the U.S. population over the course of a year. This survey contained incentivized choice tasks, qualitative assessments of economic preferences, and political and policy questions. The distribution of choices is very stable over time, although individuals' choices may vary considerably. Most incentivized choice tasks exhibit moderate levels of stability—less than questions associated with identity, but more than survey-based measures of behavior. Principal components of incentivized choices align with those documented in our work on "Econographics" and are more stable than the individual choices they are drawn from. Qualitative assessments of economic preferences tend to be more stable than corresponding incentivized choice tasks, although answers to these two types of elicitations are largely uncorrelated. Repeated exposure to choice

tasks improves the stability of choices. At an individual level, the single best predictor of stable choices is an in-survey IQ test. Simpler choice tasks can improve the stability of measured choices. Taken together our results suggest that preferences are relatively stable, and that economists can considerably improve their measurement.

* with Jonathan Chapman, Pietro Ortoleva, and Colin Camerer

Internal Seminar

Jonas Frey

"Which stock return predictors reflect mispricing?"

A large number of stock characteristics have been found to predict the cross-section of returns. Return predictability can be driven by risk or mispricing, and the nature of most return predictors remains an open question. I use analysts' earnings forecasts to determine if a return predictor is linked to mispricing. I find that at least 40% of return predictors from a dataset of 172 significant predictors are related to mispricing, including the momentum predictor from the Carhart four-factor and the profitability and investment predictors from the Fama–French five-factor model. I further study whether the mispricing predictors' abnormal returns capture the divergence of prices from the fundamental value (build-up predictors) or their convergence back to the fundamental value (resolution predictors). Build-up predictors are less common than resolution predictors but do exist, implying that trading on certain return predictors can exacerbate rather than eliminate mispricing. Momentum is related both to the build-up and the resolution of mispricing.

Talks and Research Visits

Arnaud Dellis (room 01.025) is on sabbatical in the department during the academic year 2023-24. He is hosted by Christoph Vanberg. Arnaud is a Professor in the department of Economics at the University of Quebec in Montreal, Canada, and a research fellow at the Center for the Study of Democratic Citizenship at McGill University and the University of Montreal. His research is in the field of Political Economics, with a focus on elections and informational lobbying. For more information, please visit his [website](#).



Sarah Arndt presented the paper "Shock Transmissions in Different Inflation Regimes" (joint with Zeno Enders) at the Lille-Reading Workshop on International Finance, Reading (UK), October 13 and also presented this paper at the VfS Annual Conference, Regensburg, September 25.

Anca Balietti gave a seminar talk at the Department of Economics at the University of Rennes in France. The paper presented was "Strategic Ignorance and Perceived Control", joint work with Angelika Budjan, Tillmann Eymess, and Alice Soldá, October 2nd. She also presented the paper "Relative Income and Preferences for Public Goods" (with Angelika Budjan and Tillmann Eymess) at the second Workshop on Field Experiments in Economics and Business, Düsseldorf, September 4-5.

Julius Schoelkopf presented the paper "Macroeconomic Announcements and the Volatility Feedback Effect" (joint with Christian Conrad and Nikoleta Tushteva) at the Annual Conference of the Verein für Socialpolitik 2023 in Regensburg, September 26 and at the Econometric Society European Meeting (EEA-ESEM) at the Barcelona School of Economics, Spain, on August 31.

Zeno Enders presented the paper "Cross-country Unemployment Insurance, Transfers, and Trade-offs in international Risk Sharing" (joint with David Vespermann) at the BdF-CEPR-ECB Conference "Monetary Policy Challenges for European Macroeconomies" at the Banque de France, Paris, September 25-26.

Christiane Schwieren gave invited talks at seminars at Nottingham Business School (UK) September 15, and the Indian Institute of Management (Bangalore) September 26, presenting joint work with Marvin Deversi, Martin Kocher and Cosima Steck on "Cooperation in a company pre- and post pandemic".

Timo Goeschl presented the paper "The Experience of Social Risk" at the Annual Meeting of the Austrian Economic Society, Salzburg, Sept. 28-29 and the paper "Exposed: A Field Experiment On Buying And Using Private Air Quality Sensors" at the Applied Economics Workshop, University of Wisconsin-Madison, Sept. 20.

The AWI was present with three co-authored papers at the 2023 edition of *Advances in Field Experiments at the University of Chicago*, Sept. 21 and 22: "Perceived Control and Attendance to Information: Evidence on the Health Risks of Air Pollution" (Anca Balietti), "Fickle Groups: A Field Experiment on Time Preferences" (Zain Chaudry), and "Nudging the Poor: Increasing Energy Efficiency Investments of Low-Income Households" (Timo Goeschl).

New Publications

Gallier, C; T. Goeschl, M. Kesternich, J. Lohse, C. Reif; D. Römer (2023) Inter-Charity Competition Under Spatial Differentiation: Sorting, Crowding, and Spillovers. Accepted in the Journal of Economic Behavior and Organization.

New Working Papers

Please find new working papers No 730-737 of AWI Discussion Paper Series [here](#).

Miscellaneous

At the **RCEE** there are going to start some new projects with Timo Goeschl:

MultiTip-ER (BMBF) – Tipping points in Lake Victoria fisheries: Phase 2: Enhancing Resilience (a continuation, but also its own project). See: <https://www.eco.uni-heidelberg.de/multitip/index.html>

ERWIN (Fritz-Thyssen-Foundation) – Improving energy efficiency in low-income households: Empirical evidence and field experiments (a continuation, but now hosted here). See: <https://www.eco.uni-heidelberg.de/thyssen.html>

DFIELD (4EU+ Seeds) – Designing behavioural field Interventions in Europe to lower air pollution exposure and damages. (a genuinely new activity.) See: <https://4euplus.eu/4EU-700.html>

The International Political Economy Society (IPES) recently announced that its prestigious *Best New Dataset Award* (find link [here](#)) will go to a team of international researchers (find link [here](#)). Axel Dreher of Heidelberg University, Andreas Fuchs of Goettingen University, Brad Parks of AidData at William & Mary (W&M), Austin Strange of Hong Kong University, and Mike Tierney of W&M's Global Research Institute, are the authors of *Banking on Beijing: The Aims and Impacts of China's Overseas Development Program* a book that introduced and analyzed the 1.0 version of AidData's Global Chinese Official Finance Dataset, which took home the IPES award (find link [here](#)). To date, the dataset has been used in more than 250 research publications. It has also been used or referenced in more than 1,000 TV, radio, print, and online media stories.

Stefan Trautmann has been appointed advisory editor at the *Journal of Risk and Uncertainty*. [Link to Journal of Risk and Uncertainty](#)

New and Leaving Staff

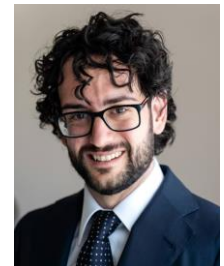
Moumita Deb joined the Chair of Public Finance as Prof. Christoph Vanberg's postdoctoral researcher, in August 2023. She obtained her PhD Economics from the University of Birmingham earlier this year. Her research uses tools provided by behavioural economics to study questions related to information acquisition and how this impacts voting behaviour or other decision-making.



Madeline Werthschulte joined the Chair of Environmental Economics as a postdoctoral researcher on September 1. In her research, she investigates behavioural economic determinants of household decision-making in an environmental context, mostly related to energy demand, using (field) experimental methods. She received her PhD from the University of Münster in 2021, and was employed as a researcher at the ZEW - Leibniz Centre for European Economic Research after her PhD. She was a visiting researcher at the Australian National University and the University of Alabama.



Giovanni Burro joined the chair of Economic Theory I as a post-doctoral researcher. Previously, he was a post-doctoral fellow at Bocconi University. He obtained a PhD in Statistics from the University of Warwick, with minor in Behavioral Science. He obtained MSc and BSc in Economics from Bocconi University. His research interests mainly lie at the intersection of Behavioural Economics and Decision Making, with expertise in Experimental Economics. He studies how Economic Theories of Decision Making influence the way individuals make choices in financial markets and household decisions. More in general, he is interested in several aspects of Judgement and Decision Making, from an empirical point of view. He has also expertise in deception and happiness economics.



Oliver Fahrni became a part of the Chair of Labor Economics as a Ph.D. candidate in April, working under the guidance of Ferdinand Rauch. He earned his Master of Science in Economics from the University of Bern (Switzerland) and also spent an exchange semester at the University of Bergen (Norway). Oliver's research interests include empirical work in urban, real estate, and transportation economics.



Larissa König joined the Chair of Labor Economics as a Ph.D. Student in July 2023. She has completed her Master's Degree in Economics at the University of Oxford, and studied at both the University of Cologne and at the University of Victoria, Canada. Her research interests lie in Spatial Economics, especially where it relates to extreme weather and climate impacts.



Bettina Chlond rejoined the Chair of Environmental Economics as a PhD Candidate in September 2023. Bettina is also part of the Environmental and Climate Economics Department at ZEW Mannheim. Previously, she studied B.Sc. Economics in Mannheim and M.Sc. Economic Development in Lund.



Fernanda Almeida joined the Chair of International and Development Politics as a Ph.D. student in September under the supervision of Axel Dreher. She holds both a bachelor's and a master's degree in economics from the Federal University of Rio de Janeiro. Currently, she is also working on her master's thesis in Quantitative Economics at Goethe University Frankfurt. Her research interests include Migration, Political Economy, and Development Economics.



Farhan Zeb joined the PhD program at the Faculty of Economics and Social Sciences as a Doctoral candidate on 29 September 2023. In his research he will investigate the nexus between white collar crime and the renewable energy sector of Pakistan. Farhan Zeb received his MPhil in Economics from Quaid-i-Azam university, Islamabad, Pakistan and has been working as an investigation officer for Pakistan's Federal anti-white collar Crime agency i.e., National Accountability Bureau (NAB) since 2017. He is now on leave from his office to pursue his PhD at University of Heidelberg on DAAD Scholarship.



Editorial deadline for issue 23/2023 of the newsletter:
Wednesday, October 18, 2023, 12 p.m.
newsletter@awi.uni-heidelberg.de