



Upcoming Seminars

Tuesday, 2.5.2017

Economics and Politics Seminar

13.45-14.45

Jan Priebe, University of Göttingen

AWI 01.030

"(Ethnic) discrimination and the value of an elite college degree: Experimental evidence from a resume audit study"

Tuesday, 2.5.2017

Presentation of o-Tree experimental software

16.15-17.15

Martin Schonger, ETH Zürich

AWI 01.030

Wednesday, 3.5.2017

Departmental Seminar

12.15-13.15

Martin Schonger, ETH Zürich

AWI 00.010

"An Experimental Test of the Anscombe-Aumann Monotonicity Axiom"

Economics and Politics Seminar

Jan Priebe

"(Ethnic) discrimination and the value of an elite college degree: Experimental evidence from a resume audit study"

We study the role of taste-based and statistical discrimination in the labor market sending out fictitious resumes in the metropolitan area of Jakarta, Indonesia. We randomly assign the regional origin of candidates, denomination, and the quality/selectivity of institutions. We find that a business degree from a public elite university receives significantly higher callbacks than public non-elite and private colleges. Furthermore, we observe that conditional on degree quality and attending colleges on the island of Java, candidates who grew up outside of Java are 40 percent less likely to receive callbacks. The gap in callbacks is uniform across occupation and industry. We show that these findings are largely driven by statistical discrimination practices though candidates from Eastern Indonesia seem in addition to experience taste-based discrimination. Differential treatment by college degree, origin and race appear to be prominent in the Indonesian labor market.

Presentation of o-Tree experimental software

Martin Schonger

Martin and his colleagues released o-Tree as an alternative application to zTree in 2015. oTree is a web-based open-source software, which is coded in the programming language Python. The main strength of oTree is that it can be run on any device via web browser. Hence, it is suited for laboratory, as well as field experiments (for more information see <http://www.otree.org/> or for the JBEF paper: <http://www.sciencedirect.com/science/article/pii/S2214635016000101>).

In his talk, Martin will outline the possible uses and future developments of o-Tree. Martin will be in Heidelberg from Tuesday to Thursday. Thus, if you miss the talk, there is still the possibility to arrange a separate appointment with him. Also, don't hesitate to forward this to other interested experimental economists.

Departmental Seminar

Martin Schonger

"An Experimental Test of the Anscombe-Aumann Monotonicity Axiom"

Most models of ambiguity aversion satisfy Anscombe-Aumann's Monotonicity axiom. Monotonicity imposes separability of preferences across events that occur with unknown probability. We construct a test of Monotonicity by modifying the Allais paradox to a setting with both subjective and objective uncertainty. Two experimental studies are conducted: while study 1 uses U.S. online workers and a natural source of ambiguity, study 2 employs European students and an Ellsberg urn. In both studies, modal behavior violates Monotonicity in a specific, intuitive way. Overall, our data suggest that violations of Monotonicity are as prevalent as violations of von Neumann-Morgenstern's Independence axiom.

Talks and Research Visits

At the *European Public Choice Society (EPCS) Conference*, CEU, Budapest, April 19-22, the following papers were presented: **Gerda Asmus**: "Is Targeted Aid More Effective?" (joint work with Axel Dreher and Peter Nunnenkamp), **Andreas Fuchs**: "Does Aid Help Refugees Stay? Does Aid Keep Refugees Away?" (joint work with Axel Dreher and Sarah Langlotz), **Sarah Langlotz**: "Opium cultivation and the geography of conflict in Afghanistan" (joint work with Kai Gehring and Stefan Kienberger) and **Angelika Müller**: „Aid Donors" (joint work with Andreas Fuchs).

Andreas Fuchs presented the paper "The Causal Effects of Trade, Aid and Investment on China's Image Abroad" (joint work with Lutz Brückner and Vera Z. Eichenauer) at the Workshop on Experiments in Foreign Aid Research: Views from Donor and Recipient Publics, University of California Washington Center, Washington, DC, USA, April 14-15.

New Publications

Magdalena Buckert, Oechssler, Jörg, and Christiane Schwierén, "Imitation under stress" forthcoming in *Journal of Economic Behavior & Organization*.

Peter Duersch: Bidding for Nothing? The Pitfalls of Overly Neutral Framing (mit Julia Müller), *Applied Economic Letters*, Volume 24, Issue 13 (2017), <http://dx.doi.org/10.1080/13504851.2016.1240337>

Peter Duersch: Intertemporal stability of uncertainty preferences (with Benjamin Roth, Daniel Römer), *Journal of Economic Psychology* (2017, in press), <http://doi.org/10.1016/j.joep.2017.01.008>

New and Leaving Staff

Gabi Rauscher, a member of the non-academic staff for 12 years, will leave the AWI and retire. Besides her support for the two chairs of *Economic Theory* she was responsible for the organization of the Departmental Seminar (with Joerg Oechssler) and for publication of the papers in the *AWI Discussion Paper Series*. Ulrike Arnold, up to now working for Axel Dreher, will succeed.

**Editorial deadline for issue 09/2017 of the newsletter:
Wednesday, May 3, 2017, 12 p.m.
newsletter@awi.uni-heidelberg.de**

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please contact the address above.