



Upcoming Seminars

Wednesday, 15.6.2022 Internal Seminar

12.15-13.15
AWI room 00.010

Sebastian Ebert
"On Taking a Skewed Risk More Than Once"

Abstracts

Internal Seminar

Sebastian Ebert

"On Taking a Skewed Risk More Than Once"

This paper collects results on the repeated risk-taking of skewed risks. An extensive body of theoretical and experimental literature has shown that, in one-time decision situations, humans are skewness-seeking and dislike risks that feature unlikely but large losses (i.e., negatively skewed risks). We show that, contrary to intuition, the often-observed phenomenon of penny-picking—repeatedly taking negatively skewed risks—is not at odds with skewness-seeking, but, to the contrary, may even be caused by it. The skewness of the distribution that results from repeatedly taking a skewed risk depends in non-trivial ways on the risk-taking strategy and may even differ in sign from that of the individual risk. With sufficient time available, every risk—no matter how negatively skewed—can be gambled in such a way that, in total, skewness is positive. Because recent work has shown that skewness is decisive whether risk is taken, this result may be important for economics and finance on a fundamental level.

Talks and Research visits

At the at the 14th Maastricht Behavioral and Experimental Economics Symposium M-BEES/M-BEPS 2022, the following papers have been presented: **Pascal Kieren**: "The Portfolio Composition Effect" (with Jan Mueller-Det hard and Martin Weber) and **Joerg Oechssler**: "Do women shy away from risky skill games" (with Marco Lambrecht), Maastricht, June 7-8.

Christian Conrad presented the paper "How informative are the ECB's inflation projections?" (joint with Zeno Enders and Gernot Müller) at the ZEW workshop "Das EZB-Zielsystem - angemessene Ausdifferenzierung oder drohende Überfrachtung?" and participated in the panel discussion on central bank communication, Mannheim, May 31.

Mi-Yong Becker, Malte Faber, Marc Frick and Marco Rudolf gave a Block Seminar on "Nachhaltige Entwicklung/Angewandte Nachhaltigkeit" at the *Ruhr-Master-School*, Hochschule Bochum, May 15-20.

New and Leaving Staff

Tom Zeising joined the Chair of Environmental Economics as a PhD student under the supervision of Anca Balietti in June 2022. Tom completed his Master's degree in Economics in Heidelberg, with an exchange semester in Warsaw, and earned his Bachelor's degree at the University of Bayreuth. His primary research interests comprise the intercept between environmental degradation, economic development, and health.



Miscellaneous

Christian Conrad, Fabian Krüger (KIT) and Lora Pavlova (KIT) organized the workshop "Survey Data and Probabilistic Expectations" at the Marsilius-Kolleg, Heidelberg University, June 2-3.

An article in the newspaper *Süddeutsche Zeitung* discussed the latest decisions by the European Central Bank (ECB) in light of the current high inflation rates ([see here](#)). In the article, AWI macroeconomist Zeno Enders critically comments on the arguments of the ECB regarding distinct monetary-policy reactions following demand or supply shocks. Several researchers at the AWI are involved in research on the current challenges faced by monetary policy. Christian Conrad and Zeno Enders were panel discussants at a ZEW conference on the ECB's monetary policy. Their contribution was based on a joint project with Gernot Müller (University of Tübingen), in which they analyze the ECB's ability to forecast inflation. Joep Lustenhouwer explores effects of central-bank projections and how forecast revisions change in the presence of news.

Editorial deadline for issue 13/2022 of the newsletter:
Wednesday, June 15, 2022, 12 p.m.
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