



## Upcoming Seminars

### Monday, 10.12.2018

### Internal Seminar I

13.30-14.30

Liza Charroin

AWI 00.010

"Logrolling under different q-majority rules"

### Wednesday, 12.12.2018

### Internal Seminar II

12.15-13.15

Gaspare Tortorici

AWI 00.010

"Globalization, Agricultural Markets and Mass Migration"

### Internal Seminar I

Liza Charroin

"Logrolling under different q-majority rules"\*

Compared to unanimity rule, decisions are easier to implement under majority, but sometimes at the expense of the minority. However, the set of proposals that can pass under majority rule is likely (under appropriate symmetry assumptions) to benefit all group members, even when only few of those proposals would pass under unanimity rule. But if the possibility of log-rolling is taken into consideration, the set of projects passed under majority rule that benefits all members could be passed under unanimity rule. During the experiment, each group is confronted with a set of projects. A project passes if it is majority or unanimity supported, depending on the treatment. They have a public chat box to form verbal agreements. Our experimental results show that aggregate benefits are quite similar under both rules, although by design majority rule would produce larger benefits if people simply voted sincerely. Under unanimity rule, vote trading increases the passage rate of projects while hurting no voter; it leads to Pareto improvement.

\*with Christoph Vanberg

### Internal Seminar II

Gaspare Tortorici

"Globalization, Agricultural Markets and Mass Migration"

Despite the attention paid to the current consequences of globalization for migration behavior, there are few historical accounts of the effect of commodity market integration at the micro level. We set our paper within the context of the first globalization era, when migration flows were largely unregulated, and highlight how exogenous shocks in agricultural commodity prices influenced international migration flows from Italian provinces between 1881 and 1912. To do this, we construct an index of global price exposure based on the initial provincial agricultural production structures. Our analysis quantifies the contribution of globalization-induced agricultural price shocks to migration decisions, alongside more traditional explanatory factors such as migrant networks and landholding systems. We find evidence that agricultural price shocks are positively related to the propensity to migrate, as migration tended to increase in proportion with agricultural commodity prices. This result suggests that liquidity constraints were binding until agricultural incomes reached a certain threshold. These findings can inform our understanding of present-day migration responses in developing countries in the face of even more rapid globalization but higher barriers to legal migration.

## Talks and Research Visits

**Jonas Dovern** presented some of his work (with Christopher Zuber) on the effects of recessions on potential output estimates at the workshop "Estimating Potential Output and Output Gaps" hosted by the Federal Ministry for Economic Affairs and Energy in Berlin at November 9.

## Visitors

**Grigory Chernov** from HSE Moscow will be doing joint research with Jörg Oechssler's research group from December 17, 2018 until the end of February 2019. Grigory has been awarded a scholarship by the German Academic Exchange Service DAAD for further study and training and will carry out collaborative research on the subject "What kind of an algorithm are you? Towards reverse-engineering human learning algorithms in games". We are looking forward to his stay here and the opportunity it will give to extend our collaborative research efforts. Gregory will stay in room 01.009.



## New Working Papers

Malte Faber, Thomas Petersen, Dominik Zahrnt, and Marc Frick:

[MINE - Mapping the Interplay between Nature and Economy. A digital gateway to the foundations of Ecological Economics](#), AWI Discussion Paper Series No. 658, December 2018;

Kai S. Gehring, Melvin H.L. Wong, and Lennart C. Kaplan:

[Aid and conflict at the subnational level - Evidence from World Bank and Chinese development projects in Africa](#), AWI Discussion Paper Series No. 657, November 2018.

Robert J. Schmidt, Christiane Schwieren, and Alec N. Sprotten:

[Social Norm Perception in Economic Laboratory Experiments: Inexperienced versus Experienced Participants](#), AWI Discussion Paper Series No. 656, November 2018.

**Editorial deadline for issue 28/2018 of the newsletter:  
Wednesday, December 12, 2018, 12 p.m.  
newsletter@awi.uni-heidelberg.de**

If you would like to receive the newsletter by email,  
please contact the address above.