



NEWSLETTER 2017-15

CALENDAR:

Departmental Seminar

Pierre-Guillaume Méon (Université Libre de Bruxelles)

Do democratic transitions attract foreign investors and how fast?

Monday, July 3

16:30–18:00

VG H26

IOS Seminar

Martin Guzi (Masaryk University, Brno)

Unstable Political Regimes and Wars as Drivers of International Migration

Special Date

Thursday, July 06

13:30–15:00

WiOS 109 (Landshuter Str. 4)

ABSTRACTS:**Departmental Seminar**

Pierre-Guillaume Méon

Do democratic transitions attract foreign investors and how fast?

(joint work with Jean Lacroix and Khalid Sekkat)

Abstract: This paper investigates the evolution of foreign direct investment net inflows (FDI) around democratic transitions, in a panel of 115 developing countries from 1970 to 2014, using an event-study method. We find no effect of democratic transitions on FDI net inflows on average. We then distinguish the effect of democratic transitions per se and the effect of its consolidation. To do so, we specifically focus on consolidated democratic transitions, defined as transitions that did not reverse during five years at least. We find that consolidated democratic transitions do increase FDI net inflows. The bulk of the improvement appears ten years after the transition. Furthermore, the effect of consolidated democratic transitions on FDI is not limited to their impact on political risk. When controlling for the political risk index of the International Country Risk Guide, the intrinsic effect of consolidated democratic transitions appears immediately after the transition, suggesting that higher political risk accompanying the early years of democratic transitions offsets the positive intrinsic effect of democratic transition on FDI. The results are robust to controlling for GDP per capita and schooling, to alternative codings of the variables capturing the transition, disaggregating the political risk measure into several sub-components and the exclusion of outliers. Moreover local projections, propensity score matching, and IV estimates lend credence to a causal interpretation of our results. Furthermore the longer the democratic history of a country is, the fewer FDI this country may expect to attract thanks to a new democratic transition.

IOS Seminar

Martin Guzi

Unstable Political Regimes and Wars as Drivers of International Migration

Abstract: This paper contributes to literature on the determinants of international migration by focusing on whether migration flows respond to political conditions in origin and destination and to political violence, armed conflict and wars. Within standard migration theory, political instability acts as push factors in origins. We expect that people are more likely to emigrate from authoritarian regimes and origins affected by ethnic conflicts and wars in search for a better life. To investigate these hypotheses, we combine: (1) annual data on international migration flows and stocks in 42 destination countries from 223 countries of origin for the period 1980-2010 and UN/world Bank migration data obtained from changes in stocks of foreign population across (decennial) censuses from 160 origin/destinations; (2) data on wars, coup d'état, revolutions and democratic regimes from different sources; (3) controls of socio-cultural-economic conditions in origins and destinations, and political rights and naturalization regimes for the years 1965-2010. Preliminary findings confirm that political instability in the sending countries triggers the outflow of people and the effect of violence varies with the kind and intensity of war and internal conflicts. These outcomes are robust to the choice of indicators -- particularly for long-lasting and high intense ethnic conflicts.

SAVE THE DATE:

The tenth Bavarian Micro Day will take place at Bundeswehr University Munich on Friday, June 30. The program can be found below.

We gratefully acknowledge financial support of the Departmental Seminar by the Regensburger Universitätsstiftung Hans Vielberth.

**RegensburgEconNews**

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Bildnachweis: http://commons.wikimedia.org/wiki/File:Regensburg_08_2006.jpg

Getting there

The Bundeswehr University is located southeast of Munich, directly at the city limits. Its neighboring towns are Neubiberg, Ottobrunn and Unterhaching.

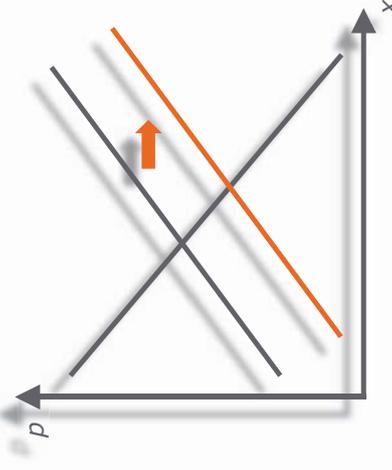
Visitors may access the campus using the visitors' entrance (western gate), corner of Zwergerstraße / Universitätsstraße.

The Symposium will take place in Senatssaal in building 38.



10th Bavarian Micro Day

June 30th 2017



Contact

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About the Bundeswehr University

Together with its partner university in Hamburg, the Bundeswehr University Munich is one of only two federal research universities in Germany, both founded in 1973 as part of the German Armed Forces (Bundeswehr). The university offers a civilian academic education for military officers, and also for a limited number of civilian and international students. The academic year at the university is structured in trimesters and not the usual semesters. This allows achieving a bachelor's and a master's degree within less than four years. Bundeswehr University Munich has well-established scientific research and is one of only very few campus universities in Germany.

Program

10:15 – 10:30

Welcome

10:30 – 11:10

Competitive Pricing and Quality Disclosure to Cursed Consumers

Peter Schwardmann

University of Munich (LMU)

11:10 – 11:50

Hypothetical Thinking and the Winner's Curse: An Experimental Investigation

Johannes Moser

University of Regensburg

11:50 – 12:30

Whistleblowing and Diffusion of Responsibility: An Experimental Investigation

Lawrence Choo

University of Erlangen-Nuremberg

12:30 – 13:30

Lunch at Mensa

13:30 – 14:10

Economic Determinants of the Network of Political Opinion

Nathan J. Carroll

University of Regensburg

14:10 – 14:50

Power Politics: Electoral Cycles in German Electricity Prices

Till Stowasser

University of Munich (LMU)

14:50 – 15:30

Growing Up in Ethnic Enclaves: The Effects on Education and Language Proficiency

Carsten Feuerbaum

KU Eichstätt Ingolstadt

15:30 – 15:50

Coffee Break

15:50 – 16:30

Seemingly irrelevant Focal Points affect Wage Setting and Wage and Job Satisfaction

Felix Peterhammer

University of Regensburg

16:30 – 17:10

Incentivizing Complex Problem Solving in Teams – Evidence from a Field Experiment

Simeon Schudy

University of Munich (LMU)

18:00 – open end

Dinner at UniCasino Biergarten