



Upcoming Seminars

Monday, 17.4.23

13.30-14.30

AWI room 00.010

Departmental Seminar

Erik Hornung, Universität zu Köln

"NAFTA and drug-related violence in Mexico"

(Host: Axel Dreher)

Abstracts

Departmental Seminar

"NAFTA and drug-related violence in Mexico"

We study how NAFTA changed the geography of violence in Mexico. We propose that open borders increased trafficking profits of Mexican cartels and resulted in violent competition among them. We test this hypothesis by comparing changes in drug-related homicides after NAFTA's introduction in 1994 across municipalities with and without drug-trafficking routes. Routes are optimal paths connecting municipalities with a recent history of drug trafficking with U.S. ports of entry. On these routes, homicides increase by 27% relative to the pre-NAFTA mean. These results cannot be explained by changes in worker's opportunity costs of using violence resulting from the trade shock.

Talks and Research Visits

Stefan Trautmann presented the paper: "Higher Order Risk Preferences and Economic Decisions" at Bilkent University Ankara on March 29, and at Bogazici University Istanbul, on April 3.

Christian Conrad presented the paper "Macroeconomic Announcements and the Volatility Feedback Effect" (joint with Julius Schoelkopf and Nikoleta Tushteva) in the Business Finance Research Seminar at the University of Sussex Business School, March 16.

New Publications

Tim Hagenhoff and Joep Lustenhouwer: "The role of stickiness, extrapolation and past consensus forecasts in macroeconomic expectations", *Journal of Economic Dynamics and Control*, Volume 149, April 2023.

Malte Faber and Marc Frick, contributions to the *Dictionary of Ecological Economics*, Edward Elgar (2023, find [here](#)) on: "Classical Thermodynamics, Environmental Ethics, Joint Production, Irreversibility, Sustainability".

New and Leaving Staff

Rustam Urdukhanov (room 01.026) is a PhD student working on a DFG project with Joep Lustenhouwer. He completed his Master's degree in economics at the Simon Kuznets Kharkiv National University of Economics. His research interests lie mainly in personal security.



Miscellaneous

Christian Conrad has been appointed Research Associate at ZEW Mannheim in February 2023. He will closely cooperate with the ZEW Research Unit "Pensions and Sustainable Financial Markets" to further develop the "ZEW Financial Market Test."

Editorial deadline for issue 08/2023 of the newsletter:
Wednesday, April 19, 2023, noon.
newsletter@awi.uni-heidelberg.de