

Dr. Carl Heese

Assistant Professor of Economics
University of Vienna

<https://carlheese.github.io/>
carl.heese@univie.ac.at
Mobile: +43 677 63699700

Office Contact: Department of Economics, University of Vienna, Oskar-Morgenstern-Platz 1, 1090 Vienna

Personal Information: Citizenship: German. One child.

Fields of interest: Theory of politics and groups, collective choice, communication, behavioral economics

Education

2014-2020 Dr.rer. pol. in Economics (summa cum laude), *University of Bonn*
M.Sc. in Economics, *University of Bonn*
2007-2012 M.Sc. in Mathematics (with distinction), *University of Münster*
B.Sc. in Economics, *University of Münster*;

Research Positions and Visits

09/20-now Assistant Professor in Economics, *University of Vienna*
2018-2020 Research Fellow, *Collaborative Research Center TR 224, Universities Bonn and Mannheim*
2019-2020 Exchange Scholar, *Yale University, USA*
2018 (3 months) Exchange Scholar, *Yale University, USA*
2017 (3 months) Visiting Ph.D student, *London School of Economics and Political Science, UK*

Non-Academic Work Experience

2013-2014 Management consultant in the financial industry, Nagler & Company

Job Market Paper (click on it for the paper)

Persuasion and Information Aggregation in Elections (with S. Lauerermann), **R & R at Journal of Political Economy**

Working Papers (click on it for the paper)

1. Information Frictions and Opposed Political Interests
2. Fishing for good news: Motivated Information Acquisition (with Si Chen, Vienna), **Reject and Resubmit at AEJ:Micro**
3. The Equilibrium Coordination Problem in Elections with Costly Information
4. Information Design and Image Concerns (with Shuo Liu, Guanghua School of Management)
5. Enforce and Inform: The Power of Collective Action
6. Selecting Candidates: the value of non-uniform tests and self-reports
7. Social Learning with State-Dependent Observations

Work in Progress

8. Persuasion in Elections with Participation Cost (with Stephan Lauerermann)
9. Persuasion of a Continuum
10. Strategic Understatements (with Deniz Kattwinkel, University College London)
11. Sequential Costly Recommendations (with Helene Mass, Uni Bonn)

Refereeing

American Economic Review, Journal of Economic Theory, Games and Economic Behaviour, Economic Theory, Social Choice and Welfare, Journal of Economic Behavior and Organization

Departmental Service

Supervision of Bachelor and Master thesis; Production of a video about the department for fly-out candidates; Chairing of Master defenses in the business and economics department.

Teaching Experience

2020-2022 University of Vienna, Introduction to Microeconomics for business students (Bachelors)
2020-2022 University of Vienna, Collective Choice (Bachelors and Research Masters)
2019- 2020 **Certificate of College Teaching Preparation (CCTP) from the Poorvu Center at Yale University, CIRTL associate**
spring 2020 Yale University, Game Theory (Bachelors), Teaching Assistant
fall 2019 Yale University, Corporate Finance for business students (Bachelors), Teaching Assistant
summer 2017-2019 University Bonn, Collective Choice (Bachelors), Teaching Assistant
fall 2017 University Bonn, Mathematics for Economists (Masters), Teaching Assistant

Grants

2020 Grant from the Graf Hardegg foundation for the project “Enforce and Inform: the Power of Collective Action”

External Presentations

2023 ASSA 2023 Annual Meeting (scheduled)
2022 Joint theory seminar of the Hongkong universities (scheduled)
Wallis Institute Annual Conference on Political Economy
2021 University of Graz
2020 Young Economists Conference (YES), University of Pennsylvania
Econometric Society World Congress
Conference on Mechanism and Institution Design
2019 **Wallis Institute Annual Conference on Political Economy**
Microeconomic Theory Lunch, Yale University
International Conference on Game Theory, Stony Brook
SAET Conference
Conference on Economic Design of SED
2018 Yale Theory Breakfast, Yale University
European Doctoral Program Annual Jamboree, European University Institute (EUI)
North-American Summer Meeting of the Econometric Society
SAET Conference
European Summer Meeting of the Econometric Society
LSE PhD Seminar, LSE
2017 European Winter Meeting of the Econometric Society
European Doctoral Program Annual Jamboree, University Pompeu-Fabra
27th Jerusalem Summer School in Economic Theory (poster).

References

Stephan Lauer
University of Bonn
s.lauer@uni-bonn.de

Daniel Krämer
University of Bonn
krahmer@hcm.uni-bonn.de

Karl Schlag
University of Vienna
karl.schlag@uni-vienna.de

Abstract: Job Market Paper:

Persuasion and Information Aggregation in Elections (w/ Stephan Lauer mann)

R & R at the JPE, presented at the Wallis Institute Annual Conference on Political Economy 2019

This paper studies a large majority election with voters who have heterogeneous, private preferences and exogenous private signals. We show that a Bayesian persuader can implement any state-contingent outcome in some equilibrium by providing additional information. In this setting, without the persuader's information, a version of the Condorcet Jury Theorem would hold (Feddersen and Pesendorfer, 1997). Persuasion does not require detailed knowledge of the voters' private information and preferences: the same additional information is effective across environments. The results require almost no commitment power by the persuader. Finally, the persuasion mechanism is effective also in small committees with as few as 15 members.

Abstract: Working Papers

Information Frictions and Opposed Political Interests

presented at the Wallis Institute Annual Conference on Political Economy 2022

This paper studies collective choices with information frictions. In a majority election, voters can acquire private information about policy consequences before voting though this requires costly effort. Information frictions alter the power relationships between opposed political interests by turning the election into an informational contest: There is an equilibrium in which the policy preferred by the interest group with the higher aggregate information acquisition effort is elected; outcomes therein represent voters with a minority interest if, they have comparably high utilities. Information advantages and internal conflicts of opinion matter: we characterize how information cost and the dispersion of priors modulate the influence of an interest group.

Fishing for good news: Motivated information acquisition (w/ Si Chen)

Reject and Resubmit at AEJ:Micro, 2019 Econ JM Best Paper Award (awarded to my co-author for this paper)

The literature on motivated reasoning argues that people skew their beliefs to feel moral when acting selfishly. Leveraging techniques from the Bayesian persuasion literature, we study the information acquisition of decision-makers with a motive to form positive moral self-views and a motive to act selfishly. Theoretically and experimentally, we find that a motive to act selfishly makes individuals dynamically 'fish for good news': they are more likely to continue (stop) acquiring information, having so far received mostly information suggesting that acting selfishly is harmful (harmless) to others. We also find that fishing for good news may improve social welfare and that more intelligent individuals have a higher tendency to fish for good news.

The Equilibrium Coordination Problem in Elections with Costly Information

Voters decide between two policies in a majority election. All voters share a commonly known preference type but are uncertain about which policy is better for them. They can acquire private information about the policy consequences at a cost. Thus, political information is a public good. In all equilibria, voters under-invest in political information. We identify another source of inefficiencies: equilibrium mis-coordination. When the marginal cost of information are arbitrarily low, there are two equilibria, ordered by the information investment of the voters. In a large electorate, only the high investment equilibrium is asymptotically efficient.

Information Design with Image Concerns (w/ Shuo Liu)

In many economic situations, a sender communicates strategically with a receiver not only to influence his decision-making but also how certain unobserved characteristics of herself (e.g., loyalty, integrity, or unselfishness) are perceived. To study such strategic interactions, we introduce image concerns into the canonical framework of information design. We characterize how the sender optimally sacrifices her persuasive influence on the decision in order to boost her reputation, by manipulating the communication about a payoff-relevant state. We describe when this harms and benefits the receiver unambiguously, revealing also that effects often depend on the selected equilibrium and are non-monotone in the sender's characteristics. We illustrate our findings within various standard preference settings (e.g., with quadratic losses or state-independent sender preferences). Finally, the model provides insights into a wide range of applications, such as how performance evaluation in hierarchical organizations can backfire by engendering harmful upward signalling, and if and when competitive elections may discipline the instrumentalisation of media channels by politicians.

Enforce and Inform: The Power of Collective Action

This paper introduces a model of informal collective action. Each citizen decides if to take action—join a protest, sign a petition, speak out in favor of reform in a citizen advisory committee. The citizens' actions can signal private information to a policy-maker who decides over a one-dimensional policy. The policy-maker is allowed to be biased towards high or low policies. There exist equilibria with welfare-efficient policy-choices, independent of the bias, if and only the citizens have “skin in the game”. That is, if collective action can be directly consequential for policy choice, e.g., by enforcing a minimal level of reform. Our result bears relevance for the design of participatory democratic mechanisms, such as citizen advisory committees, and provides an informational argument for the delegate model of representation of Edmund Burke.

Selecting candidates: the value of non-uniform tests and self-reports

This paper provides and studies a model for the optimal design of candidate selection processes in hiring, promotion, and task allocation decisions. A principal has the capacity to evaluate a finite number of candidates with coarse quality tests. We show that it is never optimal to use tests of the same difficulty uniformly across candidates—though using uniform tests is a common practice in many industries. Further, asking the candidates to self-report their qualities leads to first-best allocation decisions when combined appropriately with subsequent testing. This holds even when the firm is restricted to test candidates simultaneously. This result suggests that data-driven decision processes relying on tests should be viewed as a complement to traditional approaches like interviews rather than as a replacement.