

Overcoming The Corona Crisis

I. TOPIC DESCRIPTION



The Corona pandemic is posing an unprecedented challenge to the public health and our global economy. Having claimed thousands of lives across continents, the pandemic has led to a devastating disruption to the global supply chains and a shutdown of economic activities worldwide. Overcoming the Corona crisis has become an urgent issue for us all. In response to the pandemic, many countries have adopted different measures to prevent the spread of the virus, from social distancing to stay-at-home order. With different degrees of lockdown being imposed, the way we live our lives has changed drastically. How do habits and preferences evolve during the pandemic and in the long run? How can students live and work best in times of lockdown? How can people best be motivated to stick to rules of hygiene and government interventions? These are some of the questions one could think about in the seminar.

An effective approach to overcome the Corona pandemic is through mass vaccination. However, the vaccine take-up rates and vaccine hesitancy remain a major challenge in many countries. A lack of accurate information on the vaccine and the pandemic, and a mistrust in the information sources are among the key drivers which affect people's unwillingness to be vaccinated (Murphy et al., 2021). In addition, public confidence in vaccination is also largely deteriorated by the circulation of false information and conspiracy narratives on the internet and social media. How can the take-up of vaccine be increased? And how can people be informed in good ways, preventing the spread of fake news or conspiracy theories? These are some of many questions your seminar paper could focus on.

The reliance on digital technology has grown tremendously during the pandemic and digital security in time of crisis has become an increasingly important issue. Research shows that there is an increase in the reports of cyber-attacks during the pandemic, and frauds related to online shopping and the hacking of social media and emails have witnessed the largest increases in the number of incidents (Buil-Gil et al, 2020). How to better design digital platforms which could improve people's awareness of digital frauds and to limit the spread of cyber-attacks during the pandemic could also be a potential topic of your seminar paper.

Containing the Corona pandemic is a global public good, which calls for international cooperation in many key areas. For instance, it is of great significance to increase cooperation in the production and the allocation of personal protective equipment (PPE), testing kits, vaccines and ventilators. It is also of vital importance to regulate these markets so that the pricing for PPE and life-saving equipment remains within a reasonable range. In their working paper, Serra-Garcia and Szech (2020) investigate the demand for COVID-19 antibody testing kits in the US. They found that most people want an antibody test if it were offered free, but the demand drops sharply as price increases. As mass testing is an important step to contain the virus, it might be wise to offer free testing kits to people. Cramton et al. (2020) proposes that we could draw lessons from the electricity markets to design the market for medical equipment and PPE. They suggest that governments should pool resources on a national level or even on an international level, which will help us better allocate resources to places where need them the most. Along the line, one might find it interesting to investigate the impact of Corona on our markets and how to regulate these markets so that we could save more lives. One might also find it interesting to investigate how to better promote international cooperation among different countries to tackle the crisis together.

II. SCOPE OF THE SEMINAR

Please note that no topics will be handed out. Instead, participants will develop their own research question in the broad field of Overcoming the Corona Crisis. Using their own creative abilities, students design an economic experimental or field study that answers their research question. Students will work in groups of up to four, depending on the total number of participants. If the process of group formation is unsuccessful, participants will be assigned.

The seminar starts with an introductory meeting via Zoom on XXX. Ideas for experiments or field studies will be presented digitally via Zoom in a blocked event on XXX. Each presentation should last max. 20 minutes. Full attendance in all meetings is required for successful participation in the seminar. Group seminar papers of 8 – 10 pages, as well as an individual abstract with 75 to 100 words, are to be handed in at the end of the semester.

Application will be possible via the centralized platform until XXX.

Please note that we will ask you for a brief description of the topic and research idea you are interested in, in order to ensure a well-balanced variety in the seminar. Prior attendance of the courses “Economics and Behavior” and/or “Auction and Mechanism Design” is recommended but not required. For further questions, please contact Lixuan Zhao (lixuan.zhao@kit.edu).

III. RELATED LITERATURE

A. GENERAL INTRODUCTION

- Cassar, Friedman (2004): Economics Lab. An Intensive Course in Experimental Economics. *Routledge*
- Croson (2002): Why and how to Experiment. *University of Illinois Review*

B. SOURCES OF INSPIRATION

- Abrahamse, W., & Steg, L. (2013). Social influence approaches to encourage resource conservation: A meta-analysis. *Global environmental change*, 23(6), 1773-1785.
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- Cramton, P., Ockenfels, A., Roth, A. E., & Wilson, R. B. (2020). Borrow crisis tactics to get COVID-19 supplies to where they are needed.
- Dannenberg, A., & Gallier, C. (2019). The choice of institutions to solve cooperation problems: A survey of experimental research. *ZEW-Centre for European Economic Research Discussion Paper*, (19-021).
- Falk, A., Szech, N. (2013). Morals and markets. *Science*, 340(6133), 707-711.
- Lewis, J. R. (2020, November). What Is Driving the Decline in People's Willingness to Take the COVID-19 Vaccine in the United States?. *In JAMA Health Forum* (Vol. 1, No. 11, pp. e201393-e201393). American Medical Association.

- Li, S., Wang, Y., Xue, J., Zhao, N., & Zhu, T. (2020). The impact of COVID-19 epidemic declaration on psychological consequences: a study on active Weibo users. *International journal of environmental research and public health*, 17(6), 2032.
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