

SasCa PhD Conference

11th – 12th September 2025

University of Sassari, DISEA

Sassari (Sardinia), Italy



1 Conference Timetable

Day 1: Thursday 11 th September 2025	
9:00 — 9:45	Registration
9:45 — 10:00	Welcome Speech
10:00 — 11:30	Session 1a: <i>Microeconomics Theory</i>
11:30 — 12:00	Coffee break
12:00 — 13:00	Keynote Speaker: Paul Belleflamme Title: <i>“Are digital platforms bound to decay? An economic examination of the “enshittification” thesis”</i>
13:00 — 14:00	Buffet Lunch
14:00 — 15:30	Session 1b: <i>Microeconomics</i>
15:30 — 16:00	Break
16:00 — 17:00	Session 2: <i>Applied Microeconomics</i>
20:00	Social Dinner
Day 2: Friday 12 th September 2025	
9:30 — 10:30	Session 3a: <i>Macroeconomics</i>
10:30 — 11:00	Coffee break
11:00 — 12:00	Session 3b: <i>Macroeconomics</i>
12:00 — 13:00	Keynote Speaker: Alessio Moro Title: <i>“Scholars and the Machine - On Automation and Economic Performance”</i>
13:00 — 14:00	Buffet Lunch
14:00 — 15:00	Session 4: <i>Environmental Economics</i>

15:00 — 15:30	Farewell
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The conference will take place at the department of Business and Economics of University of Sassari, Via Muroni 25, Sassari., in rooms B4 and B5. Coffee breaks and buffet lunches will be served at the nearby room. The social dinner will take place the first day's evening. Meeting point and time will be announced during the conference.

2 Presenters and Discussants

Slots are organised as follows. Presenters will have 20 minutes to present their paper. After this, the assigned discussant will have 5 minutes to initiate discussion and sum up key points, assumptions, contributions, comments and critiques. A 5-minute Q&A session will follow.

SESSION 1a — Microeconomics Theory Session Leader: Riccardo Paba	
<i>Presenter</i>	<i>Discussant</i>
Anna Catharina Hager – Bielefeld University: <i>“Climate Cheap Talk”</i>	Ivan Conjeaud <i>Paris School of Economics</i>
Ivan Conjeaud – Paris School of Economics: <i>“Recommender systems and efficient social learning”</i>	Anna Catharina Hager <i>Bielefeld University</i>
Tianyu Ma – Bielefeld University: <i>“First-price Sealed-bid Auctions with Smoothly Ambiguity Averse Bidders”</i>	Laura Jansen <i>University of Groningen</i>
Coffee Break	
Keynote Speech Paul Belleflamme Université Catholique de Louvain (UCLouvain), and CORE <i>“Are digital platforms bound to decay? An economic examination of the “enshittification” thesis”</i>	
Lunch	
SESSION 1b — Microeconomics	

<p>Laura Jansen – University of Groningen: <i>“A model of employer and employee moral hazard in optimal disability insurance”</i></p>	<p>Tianyu Ma <i>Bielefeld University</i></p>
<p>Riccardo Paba – University of Sassari: <i>“Strategic product differentiation in the aftermath of a cartel”</i></p>	<p>Fernanda Gutierrez Amaros <i>Mercatorum University and CREnOS</i></p>
<p>Coffee Break</p>	
<p>SESSION 2 — Applied Microeconomics</p>	
<p>Fernanda Gutierrez Amaros – Mercatorum University and CREnOS: <i>“Fuel Prices, Gang Violence, and Its Effects on Children’s Health: Evidence from Mexico.”</i></p>	<p>Riccardo Paba <i>University of Sassari</i></p>
<p>Adriano Amati – Ca’ Foscari University of Venice: <i>“Political shocks extremism and violence evidence from the west bank”</i></p>	<p>Giada Garbini <i>University of Turin and Collegio Carlo Alberto</i></p>
<p>Giada Garbini – University of Turin and Collegio Carlo Alberto: <i>“Rethinking High School Choices in Times of Crisis”</i></p>	<p>Adriano Amati <i>Ca’ Foscari University of Venice</i></p>

<p>SESSION 3a — Macroeconomics Session Leader: Nicola Pischedda</p>	
<p><i>Presenter</i></p>	<p><i>Discussant</i></p>
<p>Luca Scotti – Ca’ Foscari University of Venice: <i>“Market Power and Network Structure”</i></p>	<p>Balázs Markó <i>Bocconi University</i></p>
<p>Frantisek Masek – National Bank of Slovakia & Sapienza University of Rome: <i>“Inflation expectations and consumptions in new keynesian models the role of heterogeneity”</i></p>	<p>Fenicia Cossu <i>University of Cagliari</i></p>
<p>Coffee Break</p>	
<p>SESSION 3b — Macroeconomics</p>	
<p>Fenicia Cossu – University of Cagliari: <i>“Volatility and structural change”</i></p>	<p>Frantisek Masek <i>National Bank of Slovakia & Sapienza University of Rome</i></p>

<p>Balázs Markó – Bocconi University: <i>“Deterrence and Industrial Wars of Attrition”</i></p>	<p>Luca Scotti <i>Ca’ Foscari University of Venice</i></p>
<p>Coffee Break</p>	
<p>Keynote Speech</p> <p>Alessio Moro University of Cagliari, and CEPR <i>“Scholars and the Machine - On Automation and Economic Performance”</i></p>	
<p>Lunch</p>	
<p>SESSION 4 — Environmental Economics</p>	
<p>Nicola Pischedda – University of Sassari: <i>“Financing firms amid climate change”</i></p>	<p>Federico Zaramella <i>Ca’ Foscari University of Venice & CMCC - Centro euro-Mediterraneo sui Cambiamenti Climatici</i></p>
<p>Federico Zaramella – Ca’ Foscari University of Venice & CMCC - Centro euro-Mediterraneo sui Cambiamenti Climatici: <i>“Household incidence of heat impacts and benefits of cooling adaptation Italy”</i></p>	<p>Nicola Pischedda <i>University of Sassari</i></p>

3 Guest Speakers



The first day of the conference the **keynote lecture** will be held by **Paul Belleflamme**. The title of his talk is *Are digital platforms bound to decay? An economic examination of the “enshittification” thesis*.

Paul Belleflamme Professor of Economics at Université Catholique de Louvain (UCLouvain), affiliated with CORE and the Louvain School of Management (LSM). He received a Ph.D. in Economics, from University of Namur. His research focuses on the digital economy with a special emphasis on two-sided platforms.



The second day of the conference the **keynote lecture** will be held by **Alessio Moro**. The title of his talk is *“Scholars and the Machine - On Automation and Economic Performance”*.

Alessio Moro is Professor of Economics at *University of Cagliari*, affiliated with *CEPR*. He holds a PhD from *Universidad Carlos III* in Madrid and also from *University of Cagliari*. His research focuses on structural transformations of modern economies that affect macroeconomic outcomes.

4 List of Abstracts

Session 1a: Microeconomics Theory

10.00 - 11.30 - 11th Sept.

1. Climate Cheap Talk

Author: Anna Catharina Hager

Discussant: Ivan Conjeaud

Abstract

We introduce a two-period signaling model where a firm shares private information about the sustainability of her operating model with an investor. She can send a certified but costly message to credibly communicate that she is indeed sustainable, with costs decreasing the more sustainable she is. The investor values sustainability and relies on the sustainability certificate as a proxy for firm type. Our results characterize when non-sustainable firms choose to certify, and how certification incentives are affected by investor behaviour. Investors may stop investing or stop and withdraw prior investment when they learn the firm is guilty of greenwashing. We identify threshold types that separate signaling from non-signaling behaviour and show how these change as certification criteria tighten over time. We further investigate how the policy maker can strategically induce ambiguity to incentive the firm to become more sustainable. We model the firm as having max-min preferences as introduced in Gilboa & Schmeidler (1989). Our model highlights policy implications for optimal threshold design and shows that even myopic investors can deter greenwashing when we consider a certification model with more than one period.

2. Recommender systems and efficient social learning

Authors: Ivan Conjeaud

Discussant: Anna Catharina Hager

Abstract

In this paper, I study a model of an online platform with a catalog of items whose quality are unknown. Short-lived users arrive in sequence and browse the catalog, paying a small cost each time they want to examine a new alternative. The platform observes their behavior and uses it to deduce information about the items' quality

so as to enhance future user's experience. I show that the platform is able to distinguish high-quality items if and only if a condition linking the cost of browsing and the thickness of the tail of the distribution from which the quality of the items is drawn holds true. This condition relates to the ability of the platform to incentivize users to explore new items using the information gathered with the previous users. I pin down an easily implementable policy that guarantees efficient learning.

3. First-price Sealed-bid Auctions with Smoothly Ambiguity Averse Bidders

Author: Tianyu Ma

Discussant: Laura Jansen

Abstract

We analyze equilibrium bidding behavior in first-price sealed-bid auctions where bidders exhibit smooth ambiguity aversion regarding the distribution of their rivals' valuations. Using the Smooth Ambiguity Model á la Klibanoff et al. (2005), we disentangle ambiguity attitudes from risk preferences to characterize a unique symmetric non-decreasing equilibrium. We establish a formal equivalence between this setting and a standard subjective expected utility (SEU) auction where bidders employ a state-dependent "effective" posterior belief. The comparative statics reveal that, under weak assumptions, greater ambiguity aversion leads to more aggressive bidding. We show the bidding function converges to the equilibrium bidding of the maximin expected utility (MEU) model (Lo, 1998) as ambiguity aversion attitude becomes infinite. Furthermore, our framework offers an interpretation where ambiguity over independent private values mimics an auction with affiliated private values, but where ambiguity aversion systematically distorts the bidders' posterior beliefs. Finally, we demonstrate that there is no clear welfare ranking between first - and second-price auctions under smooth ambiguity.

Session 1b: Microeconomics

14.00 - 15.00 - 11th Sept.

1. Strategic product differentiation in the aftermath of a cartel

Author: Riccardo Paba

Discussant: Fernanda Gitierrez Amaros

Abstract

Inspired by the European heavy-vehicles cartel, this paper examines how firms adjust product quality and pricing after a cartel breaks up, and how those choices affect damages. I build a two-period model in which former cartel members inherit a legacy product and, once collusion ends, simultaneously decide whether to introduce a higher-quality version before competing in prices. Upgrading quality softens price competition but also feeds into how an authority (or court expert) reconstructs the “but-for” price—the competitive price that would have prevailed without the cartel—used to compute overcharge damages.

I study two settings. In the baseline, the authority ignores post-cartel differentiation and ties damages to the market’s average competitive price. The unique pure-strategy outcome features \textit{asymmetric upgrading}: one firm raises quality while the other stays with the legacy product. I show how the upgrader’s advantage depends on how much weight damages receive, and how the imputed overcharge (the ratio of the cartel price to the post-cartel competitive price) falls as the post-cartel quality gap widens.

In the second setting, the authority observes post-cartel prices and qualities but is uncertain about firms’ marginal costs. It uses what it sees to update a cost-based benchmark for the but-for price. I outline how this changes firms’ incentives and discuss testable implications and policy design.

2 . A model of employer and employee moral hazard in optimal disability insurance

Author: Laura Jansen

Discussant: Tianyu Ma

Abstract

In this paper, I develop a welfare model of disability insurance (DI) that considers both employee and employer moral hazard. I extend the Diamond-Sheshinski (1995) model with an employer side to analyze the welfare consequences of an employer incentive in DI, experience rating. Experience rating links the insurance premiums paid by firms to their (former) employees’ DI costs. I derive welfare-maximizing conditions for three key DI policy parameters, not only experience rating but also the disability benefit level and the strictness of the disability screening process. The optimal level of experience rating balances two counteracting effects: it encourages firms to accommodate their workers more

(reduction in employer moral hazard), leading to fewer people applying to DI (reduction in employee moral hazard), while it also reduces overall employment because more firms go out of business due to high labor costs. I derive that while experience rating can improve welfare, this is not always unambiguously the case.

Session 2: Applied Microeconomics

15.30 - 17.00 - 11th Sept.

1. Fuel Prices, Gang Violence, and Its Effects on Children's Health: Evidence from Mexico.

Author: Fernanda Gutierrez Amaros

Discussant: Riccardo Paba

Abstract

Organized crime accounts for nearly half of all homicides in the Americas. While acute spikes in violence, such as bombings or attacks, are known to generate severe stress with health risks during pregnancy, much less is understood about how structural violence affects maternal and child health. This study focuses on Mexico, where cartels have increasingly shifted into fuel theft, embedding violent competition within local communities. Leveraging the fixed geography of pipelines and a sharp nationwide fuel price increase in 2017, I apply a municipal-level differences-in-differences design with birth and mortality data to assess the health impacts of this extractive conflict. Following the price hike, municipalities with pipelines experienced a 29–34% increase in homicides. Yet prenatal health indicators — such as birth weight and gestational age — did not deteriorate, and infant and child mortality among boys declined by 5–6%. These results are not explained by selective fertility, migration, or pregnancy loss. To explore underlying mechanisms, I show causal evidence of physiological adaptation using stress-related hospital discharges and suggest an income effect through increased nighttime light near pipelines. Overall, the results imply that communities adapt to persistent stress and that higher illicit income may offset health risks, improving children's conditions. The findings challenge assumptions that violence uniformly harms health and offer new insights into the social consequences of organized crime in contexts of institutional fragility.

2. **Political shocks extremism and violence evidence from the west bank**

Authors: Adriano Amati

Discussant: Giada Garbini

Abstract

This study investigates the impact of political shocks on extremist violence. It analyzes the aftermath of the December 2017 U.S. recognition of Jerusalem as Israel's capital, treating the decision as a quasi-experimental shock. Using a staggered difference-in-differences methodology, the paper examines changes in violence comparing areas proximate to illegal Israeli outposts with those that are not. The findings reveal that the U.S. declaration triggered a sharp and significant increase in violence in areas near these outposts, where violent events rose by roughly 160%. The analysis shows that incidents targeting civilians were particularly affected. The escalation of violence was asymmetrical; there was an immediate surge in violence perpetrated by Israeli settlers in the first years following the announcement. Conversely, a significant rise in violence from Palestinians emerged with a delay of nearly four years. These results suggest the diplomatic shock acted as a catalyst for radical behavior, initiating a self-perpetuating cycle of conflict in the West Bank.

3. **Rethinking High School Choices in Times of Crisis**

Authors: Giada Garbini

Discussant: Adriano Amati

Abstract

This paper studies the causal effect of Covid-19, which triggered both an educational and economic crisis, on high school track choices in Italy, where students must select a school path early within a rigidly tracked system. In the absence of a never-treated control group, I estimate a TWFE model that exploits regional differences in the duration of school closures as variation in treatment intensity. Preliminary results based on school-level data (MIUR) suggest a shift away from job-oriented tracks toward more prestigious academic programs, which pave the way to university and greater long-term stability. Future work will incorporate student-level data (INVALSI) to explore mechanisms and heterogeneity in responses.

1. Market Power and Network Structure*Author:* Luca Scotti*Discussant:* Balázs Markó**Abstract**

I explore the relationship between a firm's network position and its pricing behavior in a framework allowing to distinguish the effects of input-output relations from confounding factors such as technological substitutability and first-mover advantage. Measures of centrality typically related to a firm's influence in the economy are shown not to necessarily relate to the firm's market power as captured by its margins over marginal costs. Rather, features of the paths linking firms to the final consumer, as their upstreamness, can dilute market power even in the case of otherwise large and influential nodes.

2. Inflation expectations and consumptions in new keynesian models the role of *heterogeneity**Author:* Frantisek Masek*Discussant:* Fencia Cossu**Abstract**

I disentangle the assumptions underlying the consumption response to changes in inflation expectations within the New Keynesian (NK) framework. The standard positive consumption response hinges on implausibly strong general equilibrium effects and a muted negative expected real income channel, even when inflation expectations are not accompanied by similar expectations of nominal wage growth. I decompose the total consumption response into an intertemporal substitution effect and an income effect, under the empirically supported assumption that inflation expectations do not fully propagate to nominal wage growth expectations. In the Representative Agent NK (RANK) model, the consumption response remains positive due to the profits income channel. However, in a stylized Heterogeneous Agent NK (HANK) model, the total effect can become

negative if the profit income channel is dampened and the disconnect between inflation expectations and wage nominal expectations is sufficiently strong.

Session 3b: Macroeconomics

11.00 – 12.00 - 12th Sept.

1. Volatility and structural change

Authors: Fencia Cossu, Alessio Moro, Andrea Mottola

Discussant: Frantisek Masek

Abstract

We investigate the role of risk in shaping the pattern of structural transformation of an economy. We first show a novel theoretical result: in a simple two-sector model, for any given level of GDP, higher microeconomic risk (e.g. volatility of TFP shocks) of the economy implies a smaller share of services in consumption. This occurs because higher income risk induces the representative household to increase precautionary savings, thus reducing consumption expenditure, whose level determines the structure of consumption due to non-homotheticity. The value added share of services also declines, due to the increase in goods intensive investment relative to services intensive consumption. U.S. data confirm a robust negative and statistically significant relationship between different measures of risk of the economy and the share of services, in both value added and consumption data. This relationship also holds in South-American and Asian countries experiencing premature deindustrialization. As these countries faced lower risk with respect to the U.S. along their development process, the proposed mechanism can account for part of their premature deindustrialization. Our results suggest that policies aimed at reducing households income risk and firm-level exposure to shocks can accelerate structural transformation.

2. Deterrence and Industrial Wars of Attrition

Author: Balázs Markó

Discussant: Luca Scotti

Abstract

Industrial wars of attrition are drawn-out conflicts where victory is decided in large part by which combatant is able to outproduce its opponent in terms of military materiel. This paper argues that under the risk of such a war, industrial capacity in the defence sector and its supply chains generates a national security externality, as it can deter a potential aggressor from invading. Using a simple macroeconomic model, I show that in a decentralized equilibrium, atomistic investors underinvest in defence industrial capacity, as they do not internalize this effect. Governments can significantly improve upon this outcome by subsidizing immobile factors in these industries, and can achieve the first-best outcome if they are able to commit to wartime weapon purchases.

Session 4: Environmental Economics

14.00 - 15.00 - 12th Sept.

1. Green managerial practices and access to credit

Author: Nicola Pischedda

Discussant: Federico Zaramella

Abstract

This study investigates the drivers of firm-level adaptation to climate change, a challenge widely recognized as the most significant of our time. While the economic consequences of climate change are becoming increasingly , like extreme weather events or shifts to a low-carbon economy, the specific mechanisms by which firms respond are still under-researched. Also, climate change has an impact on the credit market, affecting a firm's production capacity and the availability of credit to manage climate-related problems.

This preliminary research addresses this gap by analyzing the demand side of the credit market, empirically examining the relationship between a firm's exposure to climate change impacts and its innovative capabilities, and their combined influence on firm-level adaptation. We used data from the Business Environment and Enterprise Performance Survey (BEEPS) and employed Partial Least Squares Structural Equation Modeling (PLS-SEM), a methodology suitable for measuring and quantifying complex models, and unobservable constructs like adaptation. The central research questions guiding our study are: to what extent

do climate change impacts and a firm's innovation capabilities influence its adaptation to climate change, and how can we effectively model this relationship?

Our preliminary findings indicate that both innovation and the impacts of climate change have a significant positive effect on the level of adaptation exhibited by firms. This research provides a foundational step for future work, which aim is to examine the supply side of the credit market to understand how a firm's adaptive capacity influences its access to credit.

2. Vertical Household Incidence of Climate Change Heat Impacts and Cooling Adaptation Benefits: Evidence from Italy

Authors: Federico Zaramella, Enrica De Cian, and Ian Sue Wing

Discussant: Nicola Pischedda

Abstract

By using multiple waves of the Italian Household Budget Survey, we study the extent to which a warming climate influences the prevalence of air-conditioning (AC)- a private and technological means of climate adaptation that households have at disposal. In turn, AC produces an increase in electricity consumption and, ceteris paribus, expenditures; in addition, AC can possibly provide a relief in heat-related adverse health consequences and resulting emergency department or medical treatment expenditures. Unlike the most of existing literature, which focuses on cooling-induced energy consumption or mortality avoidance, we try to analyze the dual margins of adaptation to heat from an economic perspective and project net effects to mid-century Italy, exploring main transmission channels and potential sources of inequality. We find that a warming climate induces technological adaptation, but old people, which have the higher thermal needs, suffer from barriers to access or are characterized by frugality with respect to appliance adoption. Cooling reverberates on higher electricity bills but also helps relieve the need for health expenditures, possibly through a softening of heat-health adverse consequences. Nonetheless, tighter budget constraints might induce households to trade-off shielding from heat (i.e., cooling) with other types of expenditure.

5 Organizing and Scientific Committee

- **Sevket Camoglu** – Ca' Foscari University of Venice – *sevket.camoglu@unive.it*

He is a second year Ph.D student at Ca' Foscari University of Venice. His research interests focus on Corporate and Entrepreneurial Finance.

- **Guglielmo Cori** – Ca' Foscari University of Venice – *guglielmo.cori@unive.it*

He is a second year Ph.D student at Ca' Foscari University of Venice. His research interests focus on Political Economy and Policy Evaluation.

- **Riccardo Paba** – University of Sassari – *riccardo.paba@gmail.com*

He is a third year Ph.D. student in Economics at the University of Sassari. His main research interests concern Industrial Organization and Environmental Economics.

- **Nicola Pishedda** – University of Sassari – *n.pishedda1@phd.uniss.it*

He is a second year Ph.D student at University of Sassari. His main research interests concern Finance, Climate Change and Economics.

- **Giommaria Spano** – University of Sassari – *g.spano3@studenti.uniss.it*

He is a postdoc researcher in Economics at University of Sassari. He is affiliated with CRENoS (Centro Ricerche Nord Sud). His main research interests concern Macroeconomics.

6 Conference Venue Maps

