



**GESY**

Governance and The Efficiency of Economic Systems

# Newsletter

Sonderforschungsbereich Transregio 15 • A cooperation of: FU Berlin • HU Berlin • Universität Bonn • Universität Mannheim • ZEW Mannheim • LMU München

## Newsletter No. 3

## March 2011

### SFB/TR 15 Seminars

Berlin		
Date	Speaker (Institution)	Title
February 7	Carlo Cambini, Politecnico di Torino	"Regulatory Independence, Investment and Political Interference: Evidence from the EU (joint with Laura Rondi)"
February 14	Dezső Szalay, Bonn University	"Regulating a multiproduct and multitype monopolist"
Munich		
Date	Speaker (Institution)	Title
March 22	Sendhil Mullainathan , Harvard	tba

### External Research Visits, Lectures and Seminars of SFB/TR 15 Members

A1 (Bester/Strausz)		
Name	Topic	Dates
Roland Strausz	"Market Power in Vertically Related Markets", INRA, Paris, France (talk: "Discussion of")	February 3 - 4
Helmut Bester	"Investments and the Holdup Problem in a Matching Market", Universität Utrecht, Niederlande	February 8
A2 (Konrad)		
Name	Topic	Dates
Kai A. Konrad	"Social mobility and redistributive taxation", University of Mannheim, Germany	February 7
A4 (Rady/Schmidt)		
Name	Topic	Dates
Klaus Schmidt	"You Owe Me", University of Maastricht, Netherlands	March 24

**A5 (Schweizer/von Hagen)**

Name	Topic	Dates
Urs Schweizer	Distinguished lectures at ETH Zurich, ETH/Zurich, Switzerland (talk: "Damages for breach of duty in corporate disclosure")	March 8
Urs Schweizer	Distinguished lectures at ETH Zurich, ETH/Zurich, Switzerland (talk: "Vicarious liability and the intensity principle")	March 9

**B4 (Kräkel)**

Name	Topic	Dates
Anja Schöttner	Kolloquium zur Personalökonomie, University of Zurich, Switzerland (talk: "Incentives to Motivate")	February 9 - 11
Petra Nieken	Kolloquium zur Personalökonomie, University of Zurich, Switzerland (talk: "Corporate Careers in the Shadow of Bankruptcy")	February 9 - 11

**C5 (Kamecke/Röller)**

Name	Topic	Dates
Volker Nocke	"Merger Policy with Merger Choice", University of Bologna, Italy	January 31
Volker Nocke	"Merger Policy with Merger Choice", University of Bologna, Italy	March 10
Volker Nocke	"Merger Policy with Merger Choice", University of Bologna, Italy	March 15

**C8 (Falk)**

Name	Topic	Dates
Hannah Schildberg-Hoerisch	"An experimental test of the deterrence hypothesis", CentER for Economic Research, Tilburg	January 25

## New Discussion Papers

C6 (Peitz/Stahl)		
Name	Title	Number
Leonardo Felli, Johannes Koenen, Konrad O. Stahl	<p>"Competition and Trust: Evidence from German Car Manufacturers"</p> <p><i>Abstract:</i> We explore the determinants and effects of trust relationships between upstream suppliers and downstream producers. Using unique survey data on individual supplier-buyer relationships in the German automotive industry, we show, by means of different measures of supplier-buyer trust, that higher levels of trust mitigate relationship-specific underinvestment in a classical hold-up situation. Moreover, contrary to the extant literature, we show that higher levels of supplier's trust are reflected in the buyer's choice of a more competitive procurement strategy among potential suppliers.</p> <p><i>Keywords:</i> Trust, Hold-up problem, Competition, Specific investment, Suppliers, Car manufacturers, German automotive industry <i>JEL Classification:</i> D86,D22,L22,L62.</p>	349
Heiko Karle, Tobias J. Klein and Konrad O. Stahl	<p>"Ownership and Control in a Competitive Industry"</p> <p><i>Abstract:</i> We study a differentiated product market in which an investor initially owns a controlling stake in one of two competing firms and may acquire a non-controlling or a controlling stake in a competitor, either directly using her own assets, or indirectly via the controlled firm. While industry profits are maximized within a symmetric two product monopoly, the investor attains this only in exceptional cases. Instead, she sometimes acquires a noncontrolling stake. Or she invests asymmetrically rather than pursuing a full takeover if she acquires a controlling one. Generally, she invests indirectly if she only wants to affect the product market outcome, and directly if acquiring shares is profitable per se.</p> <p><i>Keywords:</i> Differentiated products, separation of ownership and control, private benefits of control. <i>JEL Classification:</i> L13, L41.</p>	350

## Publications

<b>A1 (Bester/Strausz)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Lydia Mechtenberg (joint with Roland Strausz (A1))	"Migration of the talented: Can Europe catch up with the U.S.?", Journal of Public Economic Theory	forthcoming
<b>B3 (Hellwig)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Jos Jansen	"On Competition and the Strategic Management of Intellectual Property in Oligopoly", Journal of Economics & Management Strategy, Peer-reviewed: yes, Kind of outlet: Scientific journals	forthcoming

## New/Leaving Staff

<b>C5 (Kamecke/Röller)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Tomaso Duso	Tomaso Duso is leaving project C5 to take a professorship at the Duesseldorf Institute for Competition Economics (DICE) of the Heinrich-Heine University Duesseldorf	April 1
Thomas Hildebrand	Thomas Hildebrand is joining project C5	April 1

SFB/TR 15 Newsletter speaker: Prof. Urs Schweizer. editorial: Pamela Mertens, 53113 Bonn.

URL: <http://www.sfbtr15.de>, phone 0228/73-7931, fax 0228/73-6884, e-mail: [p.mertens@uni-bonn.de](mailto:p.mertens@uni-bonn.de), editorial deadline for SFB/TR 15 newsletter No. 4: Sunday, March 27<sup>th</sup>, 2011