



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. 12

## December 2009

### SFB/TR 15 Seminars

Berlin		
Date	Speaker (Institution)	Title
December 7	Balazs Szentes, University College London	"tba"
December 14	Martin Peitz, University of Mannheim	"Pricing and Information Disclosure in Markets with Loss-Averse Consumers"
Bonn		
Date	Speaker (Institution)	Title
November 10	Bernhard Ganglmair, University of Zurich	"Innovation, Patent Hold-Up and Equilibrium Effects of RAND Commitments"
November 24	Timo Goeschl, University of Heidelberg	"Environmental Crime and Punishment"
December 12	Joel van der Weele, European University Institute	"Procedures as Signals"
December 22	Thomas Kittsteiner, RWTH Aachen	"Heterogeneity and Partnership Dissolution Mechanisms: Theory and Lab Evidence"
Munich		
Date	Speaker (Institution)	Title
December 1	Kathryn Russ, UC Davis, University of California, USA	"Financial Choice in a Non-Ricardian Model of Trade (joint with Diego Valderrama)"
December 8	Theo Offermann, University of Aachen	"tba"
December 15	Imran Rasul, University College of London	"tba"
December 22	Jean Charles Rochet, Toulouse School of Economics	"tba"
December 7	Johannes Rincke, LMU München	"tba"
December 14	Moritz Meyer-ter-Vehn, University of California	"tba"
December 21	Tarek Hassan, University of Chicago	"tba"

## Conferences Organized by SFB/TR 15 Members

<b>A2 (Konrad)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Kai A. Konrad	Competition among Nation States, Max Planck Institute for Intellectual Property, Competition and Tax Law and Social Science Research Center Berlin (WZB) , Berlin	October 16 - 17
Kai A. Konrad	Reflections on Fiscal Federalism: Elaborating the Research Agenda, Max Planck Institute for Intellectual Property, Competition and Tax Law and Social Science Research Center Berlin (WZB), Berlin	October 30 - 31

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

<b>A1 (Bester/Strausz)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Johannes Münster	Universität Heidelberg (talk: "Information Sharing in Contests")	November 11
Roland Strausz	Norwegian-German Seminar on Public Economics (Munich), CESifo (talk: "The Political Economy of Regulatory Risk")	November 13 - 14
Johannes Münster	Universität Mannheim, Germany (talk: "Information Sharing in Contests")	November 10
<b>A2 (Konrad)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Kai A. Konrad	Love and Taxes - and matching institutions, LMU Munich, Germany	November 3
Kai A. Konrad	Tax Incidence and Market Power, University of Innsbruck, Austria	December 10
<b>A4 (Rady/Schmidt)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Klaus Schmidt	Screening, Competition, and Job Design, 2009, University Carlos III, Madrid , Spain	November 23
Klaus Schmidt	Licensing Complementary Patents: Patent Trolls, Market Structure, and Excessive Royalties, ETH Zürich, Switzerland	November 24
Klaus Schmidt	Behavioral Contract Theory, ETH Zürich, Switzerland	November 25
Markus Reisinger	HU Berlin (Germany), Host: Roland Strausz	December 1 - 4
Rainer Opgen-Rhein	Effizienz und Gerechtigkeit bei der Nutzung natürlicher Ressourcen, Universität Münster, Germany	December 3 - 4

Klaus Schmidt	Screening, Competition, and Job Design, University of Regensburg, Germany	December 7
<b>A5 (Schweizer/von Hagen)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Susanne Ohlendorf	University of Dortmund (talk: "Signaling an Outside Option")	January 7
<b>B3 (Hellwig)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Jos Jansen	Workshop on Liquidity and Trust in Incomplete Markets, FRIAS, Freiburg (talk: "Information Exchange in the Insurance Industry: A Pro-Competitive or Anti-Competitive Device? (joint with Rune Stenbacka)")	October 23 - 24
<b>B4 (Kräkel)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Petra Nieken	7. Jahrestagung des Arbeitskreises für Empirische Personal- und Organisationsforschung, Bochum (talk: "The Impact of Personality on Occupational Choice: Evidence from GSOEP")	November 20
<b>B5 (Marin/Schnitzer)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Monika Schnitzer	Research Seminar, University of Linz, Austria (talk: "Financial Constraints and Innovation: Why poor countries don't catch up (joint with Yuriy Gorodnichenko) ")	October 21
Monika Schnitzer	Bavarian Academy of Science, Munich (talk: "Financial Constraints and Innovation: Why poor countries don't catch up (joint with Yuriy Gorodnichenko)")	November 13
<b>C5 (Kamecke/Röller)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Susanne Prantl	Department of Economics, Harvard University, Cambridge, USA	September 1 - December 31
Tomaso Duso	University of Zuerich (Switzerland), Topic: Competition policy and productivity growth: an empirical assessment	December 3
Tomaso Duso	VU Amsterdam (Netherlands), Topic: Competition policy and productivity growth: an empirical assessment	December 11
<b>C8 (Falk/Heidhues)</b>		
<b>Name</b>	<b>Topic</b>	<b>Dates</b>
Paul Heidhues	Exploiting Naivete about Self-control in the Credit Market, Cornell University, USA	October 20

## Publications

A1 (Bester/Strausz)		
Name	Topic	Dates
Johannes Münster (joint with Oliver Gürtler (NA))	"Sabotage in dynamic tournaments", Journal of Mathematical Economics, Scientific journals	November
Roland Strausz	"Monopoly Distortions in Durability and Multi-Dimensional Quality", Economic Letters	forthcoming
A2 (Konrad)		
Name	Topic	Dates
Florian Morath	"Strategic information acquisition and the mitigation of global warming", Journal of Environmental Economics and Management, Scientific journals	forthcoming
A5 (Schweizer/von Hagen)		
Name	Topic	Dates
Klaas Staal	"Incentives for separation and incentives for public good provision", Public Choice, Scientific journals	forthcoming
C2 (Harhoff/Stahl)		
Name	Topic	Dates
Stefan Wagner	"Reform der Einschränkung der Urheberrechte in Lehre und Forschung — Abschätzung von Zahlungsbereitschaften für flexibleren Zugang zu studienrelevanter Literatur. ", zfbf - Schmalenbachs Zeitschrift für betriebswirtschaftliche Forschung, 857-880	December
C5 (Kamecke/Rölller)		
Name	Topic	Dates
Susanne Prantl (joint with Alexandra Spitz-Oener (NA))	"How Does Entry Regulation Influence Entry into Self-employment and Occupational Mobility?", Economics of Transition, 769-802	forthcoming
Susanne Prantl	"Regulatory Entry Barriers and Entrants' Performance", Innovation and Entrepreneurship, in: Audretsch D., Falck O., Heblich S., Publisher:Edward Elgar Publishing	forthcoming
C8 (Falk/Heidhues)		
Name	Topic	Dates
Armin Falk (joint with Johannes Abeler (NA), Lorenz Götte (NA), David Huffman (NA))	"Reference-Dependent Preferences and Effort provision", American Economic Review, Scientific journals	forthcoming

Armin Falk (joint with Thomas Dohmen (NA))	"Performance Pay and Multi-dimensional Sorting: Productivity, Preferences and Gender", American Economic Review, Scientific journals	forthcoming
Paul Heidhues (joint with Botond Koszegi (NA))	"Exploiting Naivete about Self-Control in the Credit Market", American Economic Review, Scientific journals	forthcoming

## Awards and Honors

A4 (Rady/Schmidt)		
Name	Topic	Dates
Christina Strassmair	Förderpreis des Landes Tirol für Wissenschaft 2009	December 1
A5 (Schweizer/von Hagen)		
Name	Topic	Dates
Susanne Ohlendorf	NRW Young Scientist Award 2009 in Economics	November 20

## New/Leaving Staff

C5 (Kamecke/Röller)		
Name	Topic	Dates
Joseph Clougherty	is leaving project C5 . He will leave the WZB and the SFB as well, and will become Associate Professor of Business Administration at the University of Illinois at Urbana-Champaign beginning January 15, 2010	December 31
A2 (Konrad)		
Name	Topic	Dates
Changxia Ke	Changxia Ke is joining project A2, EA, full time, <a href="mailto:changxia.ke@ip.mpg.de">mailto:changxia.ke@ip.mpg.de</a>	December 1

## New Discussion Papers

A1 (Bester/Strausz)		
Name	Title	Number
Helmut Bester, Chrysovalantou Milliou, Emmanuel Petrakis	<p>Wages and Productivity Growth in a Dynamic Oligopoly</p> <p><i>Abstract.</i> This paper studies the innovation dynamics of an oligopolistic industry. The firms compete not only in the output market but also by engaging in productivity enhancing innovations to reduce labor costs. Rent sharing may generate productivity dependent wage differentials. Productivity growth creates intertemporal spill-over effects, which affect the incentives for innovation at subsequent dates. Over time the industry equilibrium approaches a steady state. The paper characterizes the evolution of the industry's innovation behavior and its market structure on the adjustment path.</p> <p>JEL Classification No: D24, D42, D92, J31</p>	287
A4 (Rady/Schmidt)		
Name	Title	Number
Philipp Kircher, Alvaro Sandroni, Sandra Ludwig	<p>Fairness: A Critique to the Utilitarian Approach</p> <p><i>Abstract:</i> We address a basic difficulty with incorporating fairness into standard utilitarian choice theories. Standard utilitarian theories evaluate lotteries according to the (weighted) utility over final outcomes and assume in particular that a lottery is never preferred over getting the most preferred underlying outcome with certainty. While nearly universally adopted in economics (including behavioral economics) and appealing for choices among consumption goods, this approach is problematic when choices directly affect the payoffs of other individuals. A difficulty is that randomization may in itself be valued as a desirable procedure for allocating scarce resources. We highlight this in two simple choice settings. Individuals can choose between three options: to get more money; to get less money and some other good; to flip a coin between these two alternatives. When the good is a regular consumption good like a coffee mug, hardly any of our subjects randomize. When the good is a social good that yields payoffs directly to some other individual, nearly a third of our subjects choose to randomize. Our results indicate that fairness concerns are conducive to behavioral anomalies that the standard utilitarian model cannot accommodate.</p> <p>JEL Classification No: D81, C91, D63</p>	288

## Visitors

A7 (Wolfstetter)		
Name	Topic	Dates
Sven Seuken	Harvard University (USA)	November 9 - January 31
Jianpei Li	University of International Business and Economics, Beijing (China), "Signaling in Innovation Tournaments"	August 29 - September 12
B5 (Marin/Schnitzer)		
Name	Topic	Dates
Kathryn Russ	UC Davis, University of California (USA)	November 28 - December 2
Claudia Buch	IAW Tübingen (Germany)	November 28 - December 2

## Miscellaneous

A1 (Bester/Strausz)		
Name	Topic	Date
Helmut Bester	Helmut Bester has been elected Fellow of the Econometric Society	
C5 (Kamecke/Röller)		
Name	Topic	Date
Susanne Prantl	Susanne Prantl started as a Senior Research Fellow (W2) at the Max Planck Institute for Research on Collective Goods in Bonn. She left the WZB in Berlin.	September 1

SFB/TR 15 Newsletter speaker: Prof. Urs Schweizer. editorial: Corinna Lehmann, 53111 Bonn. URL: <http://www.sfbtr15.de>, phone 0228/73-7931, fax 0228/73-6884, e-mail: [c.lehmann@uni-bonn.de](mailto:c.lehmann@uni-bonn.de), editorial deadline for SFB/TR 15 newsletter No. 1: Tuesday, January 5th, 2010