



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. 1

January 2015

SFB/TR 15 Seminars

Bonn		
Date	Speaker (Institution)	Title
January 14	Andrea Attar (Toulouse School of Economics/Università degli Studi di Roma 'Tor Vergata')	Multiple Contracting in Insurance Markets: Cross-Subsidies and Quantity Discounts
January 21	Vitor Farinha Luz (European University Institute)	Characterization and Uniqueness of Equilibrium in Competitive Insurance
January 27	Dirk Schoenmaker (Vrije Universiteit Amsterdam)	Unbundling Efficient Breach
January 28	Hamid Sabourian	tba
Munich		
Date	Speaker (Institution)	Title
January 12	Holger Herz (University of Zurich)	"What Makes a Price Fair? An Experimental Study of Market Experience and Endogenous Fairness Norms"
January 13	Philipp Schmidt-Dengler (Universität Wien)	"Information and Price Dispersion: Theory and Evidence"
January 20	David Jaeger (City University of New York)	"Does Classroom Time Matter?"
January 26	Catherine Thomas (London School of Economics)	t.b.a.
January 27	Sir Richard Blundell (University College London)	"Labour Supply, Human Capital and Tax Reform"
Berlin		
Date	Speaker (Institution)	Title
January 12	Christoph Schottmüller (University Copenhagen)	Monopoly Insurance and Endogenous Information
January 19	Heiko Karle (ETH Zürich)	Signalling Quality with Initially Reduced Royalty Rates
January 26	Veronika Grimm (University Nürnberg)	On the Impact of Quotas and Decision Rules in Ultimatum Collective Bargaining

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

A2 (Konrad)		
Name	Topic	Dates
Nadja Dwenger	Research visit at the University of California, Berkeley	Nov 3-Dec 31
Nadja Dwenger	Improving Tax Collection by Public Shaming, University of California, Berkeley	November 11
Kai Konrad	Brothers in Arms - Theory and Experimental Evidence on Alliances, Australasian Public Choice Conference, Melbourne	December 6
Kai Konrad	Deception Choice and Self Selection - the Importance of Being Earnest, Universität Osnabrück	December 16
Kai Konrad	Endogenous group formation in experimental contests, The Economics of Wars, ENSAI, Rennes	December 18
Nadja Dwenger	Research visit at Harvard University	January 1 - June 30
A4 (Schmidt)		
Name	Topic	Dates
Klaus Schmidt	"Loss Aversion and Inefficient Renegotiation", Keynote Lecture at the CEAR/MRIC Behavioral Insurance Workshop in Munich	
Joachim Winter	"Plan switching and inertia in Medicare Part D: Evidence from administrative data", Cemmap Seminar at the Institute for Fiscal Studies, London	December 9
Florian Englmaier	"The Role of Communication of Performance Schemes: Evidence from a Field Experiment" (joint with Andreas Roider and Uwe Sunde, Dortmund)	January 19
A7 (Strausz/Wolfstetter)		
Name	Topic	Dates
Martin Pollrich	Mediated Audits, European Winter Meeting of the Econometric Society in Madrid	December 16
Roland Strausz	Climate Policy and the Promotion of Renewables, IRI THESys, Berlin	December 5
Roland Strausz	On the equivalence of static and sequential screening, Workshop "Topics in Information Economics" at Dauphine Université Paris	December 16/17
A9 (Corneo)		
Name	Topic	Dates
Giacomo Corneo	"Income inequality from a lifetime perspective", University of Tor Vergata, Rome	December 5

B5 (Eckel/Schnitzer)		
Name	Topic	Dates
Gumpert, Anna	"The Organization of Knowledge in Multinational Firms", 7. FIW Research Conference, Vienna, Austria	Dec. 12
Gumpert, Anna	"The Organization of Knowledge in Multinational Firms", European Winter Meeting of the Econometric Society, Madrid, Spain	Dec. 16
B7 (Marin)		
Name	Topic	Dates
Dalia Marin	"Trade in Tasks and the Organization of Firms" (with Jan Schymik and Alexander Tarasov) at the Workshop on Firm Dynamics, Trade and Development, organized by the Research Institute for Development, Growth and Economics (RIDGE) in Montevideo, Uruguay	December 10
Alexander Tarasov	"Trade Costs, Conflicts, and Defense Spending" (with Michael Seitz and Roman Zakharenko) at the 7th FIW Research Conference „International Economics“ in Vienna, Austria	December 13
Jan Schymik	"Trade, Technologies, and the Evolution of Corporate Governance" at the Econometric Society European Winter Meeting in Madrid, Spain	December 16
C5 (Nocke)		
Name	Topic	Dates
Nicolas Schutz	Toulouse School of Economics, IO seminar, Presentation of "Merger Policy in a Quantitative Model of International Trade" (joint with Holger Breinlich and Volker Nocke)	December 15, 2014
Andras Niedermayer	"Foresclosure Auctions" (joint with Artyom Shneyerov and Pai Xu), presentation at the IO Seminar at the Paris School of Economics	January 19, 2015
C8 (Falk)		
Name	Topic	Dates
Hannah Schildberg-Hörisch	How does socio-economic status shape a child's personality?, University of Bamberg	January 22
Armin Falk	University of Budapest	February 9
Armin Falk	Fundamental Human Preferences: A Global Assessment, IAST Toulouse	January 15
Matthias Wibrals	How Malleable Are Choice Brackets? The Case of Myopic Loss Aversion, University of Kiel	November 27
Matthias Wibrals	How Malleable Are Choice Brackets? The Case of Myopic Loss Aversion, University of Dortmund	December 8

New Discussion Papers

A8 (Rady)		
Name	Title	Number
Mirjam Wuggenig	<p>Learning faster or more precisely? Strategic experimentation in networks</p> <p>Abstract: The paper analyzes a dynamic model of rational strategic learning in a network. It complements existing literature by providing a detailed picture of short-run dynamics in a game of strategic experimentation where agents are located in a social network. We show that the delay in information transmission caused by incomplete network structures may induce players to increase own experimentation efforts. As a consequence a complete network can fail to be optimal even if there are no costs for links. This means that in the design of networks there exists a trade-off between the speed of learning and accuracy.</p> <p><i>Key Words:</i> Strategic Experimentation, Networks, Learning <i>JEL codes:</i> C73, D83, D85</p>	485
A10 (Szalay)		
Name	Title	Number
Dezső Szalay, Venuga Yokeeswaran	<p>Managerial Incentive Problems and Return Distributions</p> <p>Abstract: We study a model of managerial incentive problems where a manager chooses the first two moments of his firm's profit distribution - mean and volatility - along an efficient frontier. Assuming that managers differ with respect to their marginal cost of effort and their risk aversion we explore our model's comparative statics predictions in full detail. If managers' preference parameters are commonly known and associated, then a positive correlation between expected returns, volatility of profits, and incentives is the natural outcome. Allowing in addition for adverse selection with respect to the managers' preference parameters does not change the predicted correlation if the variation in observed contracts is not too large. Moreover, observed incentive schemes reflect exclusion of some manager types. Neglecting the endogeneity of risk in empirical studies biases estimates towards zero.</p> <p><i>JEL Classification:</i> D82, J33 <i>Keywords:</i> Managerial incentive problems, comparative statics, multidimensional heterogeneity, multidimensional screening</p>	486

A10 (Szalay)		
Name	Title	Number
Felix Ketelaar, Dezső Szalay	<p>Pricing a Package of Services - When (not) to bundle</p> <p>Abstract: We study a tractable two-dimensional model of price discrimination. Consumers combine a rigid with a more flexible choice, such as choosing the location of a house and its quality or size. We show that the optimal pricing scheme involves no bundling if consumer types are affiliated. Conversely, if consumer types are negatively affiliated over some portion of types then some bundling occurs.</p> <p><i>JEL classification:</i> D42, D82, D86 <i>Keywords:</i> Price discrimination, Bundling, Monopoly, Multidimensional screening</p>	487

Publications

A2 (Konrad)		
Name	Topic	Dates
Luisa Herbst, Kai A. Konrad and Florian Morath	“Endogenous group formation in experimental contests”, European Economic Review, 74, 163-189.	February 2015
A4 (Schmidt)		
Name	Topic	Dates
Spindler, M., Winter, J. and S. Hagmayer	Asymmetric Information in the Market for Automobile Insurance: Evidence From Germany, Journal of Risk and Insurance 81 (4), p. 781-801.	
A7 (Strausz/Wolfstetter)		
Name	Topic	Dates
Elmar Wolfstetter (joint with Cuihong Fan)	The Merger Paradox: A Tournament Based Solution. Economics Letters, 127, p. 35-38 (doi:10.1016/j.econlet.2014.11.023)	2015
B7 (Marin)		
Name	Topic	Dates
Dalia Marin	“The Theory of the Firm goes Global”, in: Philippe Aghion, Mathias Dewatripont, Patrick Legros, and Luigi Zingales (eds.): The Impact of Incomplete Contracts on Economics, Oxford University Press (forthcoming)	
Dalia Marin	“Corporate Hierarchies and International Trade: Theory and Evidence” (with Thierry Verdier), Journal of International Economics (forthcoming)	

Miscellaneous

B5 (Eckel/Schnitzer)		
Name	Topic	Dates
Gumpert, Anna	Modigliani Research Grant of the Unicredit and Universities Foundation	December 14

New/Leaving Staff

A3 (Moldovanu)		
Name	Topic	Dates
Anne-Katrin Roesler	Joined project A3	01.10.2014

A5 (Krähmer/Schweizer)		
Name	Topic	Dates
Tobias Gamp	Joins project A5	01.02.2015

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