

## **European Summer Symposium in Economic Theory Gerzensee, 28 June to 9 July 1999**

### **Final Programme**

#### **WEEK 1**

#### **Monday 28 June**

08.30 - 10.00      **Sniffing, Spoofing and Static:  
A Theory of Contracting with Imperfect Communication**  
Patrick Legros (ECARE, Université Libre de Bruxelles and CEPR)  
Andrew Newman (Columbia University)

Evening Parallel Sessions:

20.30 - 21.30      **Why “Peaches” Must Circulate Longer than “Lemons”**  
Roman Inderst (Universität Mannheim)  
Holger M Müller (Universität Mannheim)

20.30 - 21.30      **Mutation and Contagion**  
In-Ho Lee (University of Southampton)

#### **Tuesday 29 June**

08.30 - 10.00      **Performance Evaluation and Reputation**  
Christopher Avery (John F Kennedy School of Government,  
Harvard University)  
Margaret A Meyer (Nuffield College, Oxford, and CEPR)

Evening Parallel Sessions:

20.30 - 21.30      **Principal and Expert Agent**  
James M Malcomson (All Souls College, Oxford)

20.30 - 21.30      **Incentives and Coordination in Hierarchies**  
Dilip Mookherjee (Boston University)  
Stefan Reichelstein (Haas School of Business,  
University of California, Berkeley)

## Wednesday 30 June

08.30 - 12.15 Focus Session on:  
**Information Processing in Organizations**

Session Organizers: Mathias Dewatripont (ECARE, Université Libre de Bruxelles and CEPR)  
Tim Van Zandt (INSEAD, Fontainebleau, and Northwestern University)  
(presentations to last about 45 minutes each)

**Real-Time Hierarchical Resource Allocation**  
Tim Van Zandt (INSEAD, Fontainebleau, and Northwestern University)

**tba**  
Mathias Dewatripont (ECARE, Université Libre de Bruxelles and CEPR)

**Optimal Decentralization of Information Processing  
in the Presence of Synergies**  
Dimitri Vayanos (Massachusetts Institute of Technology)

Evening Parallel Sessions:

20.30 - 21.30 [Coordinating Changes in M-form and U-form Organizations](#)  
Yingyi Qian (Stanford University and CEPR)  
G rard Roland (ECARE, Universit  Libre de Bruxelles and CEPR)  
Chenggang Xu (London School of Economics and  
Center for International Development, Harvard University)

20.30 - 21.30 **Resale Price Maintenance and Collusion**  
Bruno Jullien (GREMAQ and IDEI, Universit  des Sciences  
Sociales de Toulouse and CEPR)

## Thursday 1 July

08.30 - 12.15 Focus Session on:  
**Information Aggregation in Markets**

Session Organizers: Glenn Ellison (Massachusetts Institute of Technology)  
Xavier Vives (Institut d'An lisi Econ mica (CSIC), Barcelona, and CEPR)  
(presentations to last about 45 minutes each)

**tba**  
Glenn Ellison (Massachusetts Institute of Technology)

**Welfare Analysis of Information Aggregation:  
Coordination and Incentives**  
Xavier Vives (Institut d'An lisi Econ mica (CSIC), Barcelona, and CEPR)

[Buy on Rumors – Sell on News: A Manipulative Trading Strategy](#)  
Markus K Brunnermeier (Financial Markets Group, London School of  
Economics)

Evening Parallel Sessions:

20.30 - 21.30      **Robust Possibility and Impossibility Results**  
Urs Schweizer (Universität Bonn)

20.30 - 21.30      **Mediators and Mechanism Design:**  
**Why Firms Hire Consultants**  
Kay Mitusch (Freie Universität Berlin)  
Roland Strausz (Freie Universität Berlin)

## Friday 2 July

08.30 - 10.00      **The Evolution of Standards and the Economics Publishing Process**  
Glenn Ellison (Massachusetts Institute of Technology)

## WEEK 2

### Monday 5 July

08.30 - 10.00      **Voting in Organizations and Endogenous Hysteresis**  
Kevin Roberts (Nuffield College, Oxford)

Evening Parallel Sessions:

20.30 - 21.30      **The Ambiguous Effect of Rankings:**  
**Strategically Biased Forecasting by Advisors**  
Daniel Probst (Universität Mannheim)

20.30 - 21.30      **Renegotiation before Contract Execution**  
Achim Wambach (Universität München and CEPR)

## Tuesday 6 July

08.30 - 10.00      **Using Elasticities to Derive Optimal Income Tax Rates**  
Emmanuel Saez (Massachusetts Institute of Technology)

20.30                  After Dinner Panel Discussion on:  
**Social Security Reform**

Speakers:            Anthony Atkinson (Nuffield College, Oxford, and CEPR)  
Monika Büttler (CentER, Tilburg University and Université de Lausanne)  
Peter Diamond (Massachusetts Institute of Technology)  
James Mirrlees (Trinity College, Cambridge)  
Eytan Sheshinski (Hebrew University of Jerusalem)

## Wednesday 7 July

08.30 - 12.15

Focus Session on:

**Income Inequality and Redistribution**

Session Organizers: Anthony Atkinson (Nuffield College, Oxford, and CEPR)  
Peter Diamond (Massachusetts Institute of Technology)  
(presentations to last about 45 minutes each)

**[Social Security Investment in Equities I: Linear Case](#)**

Peter Diamond (Massachusetts Institute of Technology)  
John Geanakoplos (Massachusetts Institute of Technology)

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Anthony Atkinson (Nuffield College, Oxford, and CEPR)

Evening Parallel Sessions:

20.30 - 21.30

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Gilat Levy (Princeton University)

20.30 - 21.30

**Continuous Partial Information**

Christopher Harris (King's College, Cambridge)

**Thursday 8 July**

08.30 - 12.15

Focus Session on:

**Income Inequality and Social Mobility**

Session Organizers: Philippe Aghion (University College London, EBRD, and CEPR)  
Abhijit Banerjee (Massachusetts Institute of Technology)  
(presentations to last about 45 minutes each)

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Abhijit Banerjee (Massachusetts Institute of Technology)

**tba**

Philippe Aghion (University College London, EBRD, and CEPR)

**Distributive Politics & the Benefits of Decentralization**

Ben Lockwood (University of Warwick and CEPR)

Evening Parallel Sessions:

- 20.30 - 21.30      **Optimal Taxation and Strategic Budget Deficit under Political Uncertainty**  
David Martimort (Université de Pau et des Pays de l'Adour, CATT, GREMAQ and IDEI, Université des Sciences Sociales de Toulouse and CEPR)
- 20.30 - 21.30      **Costly Bargaining and Renegotiation**  
Luca Anderlini (St John's College, Cambridge)  
Leonardo Felli (London School of Economics)

**Friday 9 July**

- 08.30 - 10.00      **Annuities and Retirement**  
Eytan Sheshinski (Hebrew University, Jerusalem)

- Organizers:      C Mark Armstrong (Nuffield College, Oxford, and CEPR)  
Philippe Bacchetta (Studienzentrum Gerzensee, Université de Lausanne and CEPR)  
Patrick Bolton (Princeton University and CEPR)  
Luís Cabral (London Business School, Universidade Nova de Lisboa and CEPR)  
Margaret A Meyer (Nuffield College, Oxford, and CEPR)  
Klaus Schmidt (Universität München and CEPR)  
Xavier Vives (Institut d'Anàlisi Econòmica (CSIC), Barcelona, and CEPR)