

ESSET
European Summer Symposium in Economic Theory
A CEPR Conference
Gerzensee, 2/13 July 2001

Final Programme

WEEK 1

Monday 2 July

10:00 – 12:00 **Focus Session on Efficiency in Auctions and Market Structure**
(60 minutes per session)

Session Organizers: Eric Maskin (Institute for Advanced Study, Princeton)
Benny Moldovanu (Universität Mannheim and CEPR)

Auctions for Pollution Reduction

*Eric Maskin (Institute for Advanced Study, Princeton)

How to Dissolve a Partnership

*Benny Moldovanu (Universität Mannheim and CEPR)
and

Partnerships, Lemons and Efficient Trade

Karsten Fieseler (McKinsey Consulting)
Thomas Kittsteiner (Universität Mannheim)
*Benny Moldovanu (Universität Mannheim and CEPR)

14:00 – 16:00 **Focus Session on Efficiency in Auctions and Market Structure cont'd...**
(60 minutes per session)

Bundling in Multi-unit Auctions with Synergies:

An Empirical Investigation

*Estelle Cantillon (Yale University and CEPR)
Martin Pesendorfer (Yale University)

**Last-Minute Bidding and the Rules for Ending Second-Price Auctions:
Evidence from eBay and Amazon Auctions on the Internet**

*Axel Ockenfels (Universität Magdeburg)
Alvin E Roth (Harvard University)
and

**Strategic Kate-Bidding in Continuous-Time Second-Price Internet
Auctions**

*Axel Ockenfels (Universität Magdeburg)
Alvin E Roth (Harvard University)

Evening Parallel Sessions:

- 20:30 – 21:30 **Cursed Equilibrium and the Winner's Curse**
*Erik Eyster (Nuffield College, University of Oxford)
Matthew Rabin (University of California, Berkeley)
- 20:30 – 21:30 **Competition, Risk and Managerial Incentives**
*Michael Raith (Graduate School of Business, University of Chicago,
and CEPR)

Tuesday 3 July

- 08:30 – 10:00 **Collusion, Delegation and Supervision with Soft Information**
Antoine Faure-Grimaud (London School of Economics and CEPR)
Jean-Jacques Laffont (IDEI, Université des Science Sociales de Toulouse)
*David Martimort (IDEI, Université des Science Sociales de Toulouse,
and CEPR)

Evening Parallel Sessions:

- 20:30 – 21:30 **Stirring Up Competition in Uncompetitive Auctions**
*Theo Offerman (CREED, Universiteit van Amsterdam)
Jacob Goeree (University of Virginia)
- 20:30 – 21:30 **Bargaining, Mergers, and Technology Choice in Bilaterally
Oligopolistic Industries**
*Roman Inderst (University College London)
Christian Wey (WZB and CEPR)

Wednesday 4 July

- 08:30 – 10:00 **Information Acquisition and Efficient Mechanism Design**
*Dirk Bergemann (Yale University)
Juuso Valimaki (University of Southampton)

Evening Parallel Sessions:

- 20:30 – 21:30 **Universal Service and Entry:
The Role of Uniform Pricing and Coverage Constraints**
Steffen Hoernig (Universidade Nova de Lisboa)
Pedro Pita Barros (Universidade Nova de Lisboa and CEPR)
*Tommaso Valletti (Imperial College Management School and CEPR)
- 20:30 – 21:30 **Nash Equilibrium When Players Account for the Complexity of
their Forecasts**
*Kfir Eliaz (Eitan Berglas School of Economics, Tel-Aviv University)

Thursday 5 July

08:30 – 11:30 **Focus Session: Competition in Network Industries**

Session Organizers: Mark Armstrong (Nuffield College, University of Oxford, and CEPR)
Patrick Rey (Université des Sciences Sociales de Toulouse and CEPR)

Introductory Talk: Competitive Bottlenecks

Mark Armstrong (Nuffield College, University of Oxford, and CEPR)

Chicken and Egg: Competing Match-Makers

*Bernard Caillaud (CERAS and CEPR)

Bruno Jullien (GREMAQ, Université des Sciences Sociales de Toulouse, and CEPR)

Internet Interconnection and the Off-Net-Cost Pricing Principle

Jean-Jacques Laffont (IDEI, Université des Sciences Sociales de Toulouse)

Scott Marcus (Genuity)

*Patrick Rey (Université des Sciences Sociales de Toulouse and CEPR)

Jean Tirole (Université des Sciences Sociales de Toulouse and CEPR)

The AOL/Time Warner Merger

*William Rogerson (Northwestern University)

Evening Parallel Sessions:

20:30 – 21:30 **Bilateral Buyer-Supplier Bargaining and Mergers in a Multi-Tiered Industry**

*Konrad Stahl (Universität Mannheim and CEPR)

Malte Cherdron (Universität Mannheim)

20:30 – 21:30 **The Winner's Curse with Private Values**

*Olivier Compte (CERAS, Ecole Nationale des Ponts et Chaussées)

Friday 6 July

08:30 – 10:00 **Coordination and Discrimination in Contracting with Externalities: Divide and Conquer?**

*Ilya Segal (Stanford University)

Evening Parallel Sessions:

20:30 – 21:30 **Learning, Network Formation and Coordination**

*Sanjeev Goyal (Erasmus Universiteit Rotterdam)

Fernando Vega-Redondo (University of Alicante)

20:30 – 21:30 **TITLE**

WEEK 2

Monday 9 July

08:30 – 10:00

A Simple Dynamic Theory of Capital Structure: Renegotiating Debt with Observable Effort

Patrick Legros (ECARES, Université Libre de Bruxelles, Université de Liège and CEPR)

Mathias Dewatripont (ECARES, Université Libre de Bruxelles, and CEPR)
Stephen Matthews (University of Pennsylvania)

Evening Parallel Sessions:

20:30 – 21:30

Unforeseen Contingencies

Nabil I Al-Najjar (Northwestern University)

Luca Anderlini (Southampton University and Georgetown University)

*Leonardo Felli (London School of Economics and CEPR)

20:30 – 21:30

Equilibrium Risk Matching in Group Lending

*Loic Sadoulet (ECARES, Université Libre de Bruxelles)

Tuesday 10 July

08:30 – 11:30

Focus Session on: Market Determinants of Organizations (60 minutes per session)

Session Organizers: Gene Grossman (Princeton University and CEPR)
Elhanan Helpman (Eitan Berglas School of Economics, Tel-Aviv University, and CEPR)
Andrew Newman (University College London and CEPR)

TITLE

*Andrew Newman (University College London)

International Openness, Insecurity, and Implicit Contracts

*John McLaren (University of Virginia)

Andrew Newman (University College London)

International Outsourcing

*Gene Grossman (Princeton University and CEPR)

*Elhanan Helpman (Eitan Berglas School of Economics, Tel-Aviv University, and CEPR)

Evening Parallel Sessions:

- 20:30 – 21:30 **Self-Control in Peer Groups**
*Marco Battaglini (Princeton University)
Roland Bénabou (Princeton University and CEPR)
Jean Tirole (IDEI, Université des Sciences Sociales de Toulouse and CEPR)
- 20:30 – 21:30 **Contracting over Time when Writing is Costly**
Pierpaolo Battigalli (Università Bocconi)
*Giovanni Maggi (Princeton University and CEPR)

Wednesday 11 July

- 08:30 – 10:00 **Performance in Competitive Environments: Gender Differences**
Uri Gneezy (Technion)
Muriel Niederle (Harvard University)
*Aldo Rustichini (University of Minnesota and Boston University)
and
Your Morals Are Your Moods
Georg Kirchsteiger (University of Vienna)
Luca Rigotti (CentER, Tilburg University and University of California, Berkeley)
*Aldo Rustichini (University of Minnesota and Boston University)

Evening Parallel Sessions:

- 20:30 – 21:30 **Contractual Incompleteness and the Nature of Market Interactions**
Martin Brown (IEW, Universität Zürich)
*Armin Falk (IEW, Universität Zürich, and CEPR)
Ernst Fehr (IEW, Universität Zürich, and CEPR)
- 20:30 – 21:30 **Efficiency Wages, Matching, and Unemployment:
An Analysis for Four OECD Countries**
Jens D J Larsen (Bank of England)
*James M Malcomson (All Souls College, University of Oxford)

Thursday 12 July

08:30 – 11:30 **Focus Session on: Behavioral Contract Theory**
(45 minutes per session)

Session Organizers: Ernst Fehr (IEW, Universität Zürich, and CEPR)
Klaus M Schmidt (Universität München and CEPR)

Fairness, Incentives and Contractual Incompleteness

Ernst Fehr (IEW, Universität Zürich, and CEPR)

Alexander Klein (Universität München)

*Klaus M Schmidt (Universität München and CEPR)

and

Theories of Fairness and Reciprocity –

Evidence and Economic Applications

Ernst Fehr (IEW, Universität Zürich, and CEPR)

*Klaus M Schmidt (Universität München and CEPR)

Sabotage and Loss Aversion as Sources of Wage Compression

Armin Falk (IEW, Universität Zürich, and CEPR)

*Ernst Fehr (IEW, Universität Zürich, and CEPR)

Procrastination

Ted O'Donoghue (Cornell University)

Matthew Rabin (University of California, Berkeley)

Incentives to Combat Procrastination

Ted O'Donoghue (Cornell University)

Matthew Rabin (University of California, Berkeley)

Evening Parallel Sessions:

20:30 – 21:30 **Control Allocations in Joint Undertakings:
Trading Formal for Real Authority**

*Wouter Dessein (Graduate School of Business, University of Chicago, and
CEPR)

20:30 – 21:30 **Applications of the Directed Cognition Model of
Bounded Rationality to Contracting**

*Xavier Gabaix (Harvard University)

David Laibson (Harvard University)

Friday 13 July

08:30 – 10:00

Learning and Self-Reinforcing Behavior in Organizations

*Margaret A Meyer (Nuffield College, University of Oxford, and CEPR)
Jeffrey Zwiebel (Stanford University)

* denotes speaker

Organizers:

Mark Armstrong (Nuffield College, University of Oxford, and CEPR)
Philippe Bacchetta (Studienzentrum Gerzensee, Université de Lausanne and CEPR)
Philippe Jéhiel (CERAS, Paris, Institute for Advanced Study, Princeton, and CEPR)
Patrick Legros (ECARES, Université Libre de Bruxelles, Université de Liège and CEPR)
Margaret A Meyer (Nuffield College, University of Oxford, and CEPR)
Georg Nöldeke (Universität Bonn and CEPR)
Klaus M Schmidt (Universität München and CEPR)
Xavier Vives (Institut d'Anàlisi Econòmica (CSIC), Barcelona, and CEPR)