Annual Meeting of 9 and 10 March 2006 in Lugano

Industrial Organization, Innovation and Regulation

Conference Programme
I.R.E Istituto di Ricerche Economiche
Università della Svizzera italiana
Casella Postale 4361
Via Maderno 24
6904 Lugano
Switzerland
Phone +41 58 666 46 61
http://www.sgvs.ire.eco.unisi.ch

Swiss Society of Economics and Statistics
Secretariat
SNB
Börsenstrasse 15
CH-8022 Zurich
Switzerland
Phone +41 44 631 32 34
http://www.sgvs.ch
### Programme Overview

**Thursday, 9 March 2006**

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Detailed Programme

Thursday, 9 March 2006

08.30 - 10.30
Arrival, Registration
Room A 11

10.30 - 12.30
Parallel Sessions A
Room A 12

Session A1 Empirical IO
Chair: STEPHANE L'HUILLERY

MATHIAS KIRBACH, University of Ulm; CLAUDIA SCHMIEDEBERG, University of Hamburg
Innovation and Export Performance - Adjustment and remaining differences in East and West German Manufacturing

THOMAS ASTEBRO, University of Toronto; MASSIMO C. COLOMBO, Politecnico di Milano; RAFFAELLO SERI, University of Insubria
The Diffusion of Complementary Technologies: An Empirical Test

SPYROS ARVANITIS, Swiss Federal Institute of Technology Zurich (ETHZ) and Swiss Institute for Business Cycle Research (KOF); NORA SYDOW, ETHZ and KOF; MARTIN WÖRTER, ETHZ and KOF
Is There Any Impact of University-Industry Knowledge Transfer on the Performance of Private Enterprises? - An Empirical Analysis Based on Swiss Firm Data

STÉPHANE L'HUILLERY, EPFL - Collège du Management de la Technologie Lausanne
The impact of governance practices on R&D intensity of firms: an econometric study of the French largest groups

MARTIN FALK, Austrian Institute of Economic Research (WIFO)
What Determines Patents per Capita in OECD Countries?
Room A 13  

Session A2  R & D and Innovation  
Chair: ALBRECHT BLÄSI

FRÉDÉRIC PAYOT, University of Lausanne  
Dynamics of R&D Competition: An Alternative Setup

SPYROS ARVANITIS, Swiss Institute for Business Cycle Research (ETHZ); HEINZ HOLLENSTEIN, Swiss Institute for Business Cycle Research (ETHZ) and Austrian Institute of Economic Research (WIFO), Vienna  
Determinants of Swiss Firms’ R&D Activities at Foreign Locations

ALEXANDRA K. ZABY, University of Tübingen  
Patents, Secrets and the Diffusion of Inventions

ALBRECHT BLÄSI, University of Kiel; TILL REQUATE, University of Kiel  
Learning-by-Doing with Spillovers in Markets with Cournot Competition and Free Entry

Room A 14  

Session A3  Macro 1  
Chair: MARCO CAVALIERE

JONAS STULZ, Swiss National Bank  
Exchange Rate Pass-Through in Switzerland: Evidence from Vector Autoregressions

SÉBASTIEN WÄLTI, Trinity College Dublin  
Contagion, interdependence and U.S. monetary policy

MARCO CAVALIERE, University of Bern and Study Center Gerzensee  
Why is international risk-sharing so low despite remarkable development of international capital markets?

MATTHIAS HELBLE, Graduate Institute of International Studies Geneva  
Quality and Trade Costs
Room A 22

Session A4  Network Industries
Chair: MASSIMO FILIPPINI

PETER ZWEIFEL, University of Zurich; BORIS KREY, University of Zurich
Efficient Electricity Portfolios for Switzerland

MASSIMO FILIPPINI, University of Lugano and Swiss Federal Institute of Technology ETH Zurich; MEHDI FARSI, Swiss Federal Institute of Technology ETH Zurich; DIEGO LUNATI, University of Applied Science (SUPSI)
Economies of Scale and Efficiency Measurement in the Swiss Nursing Homes Industry

CHRISTIAN GROWITSCH, Halle Institute for Economic Research; JAMASB TOORAJ, University of Cambridge; MICHAEL POLLITT, University of Cambridge
Quality of Service, Efficiency, and Scale in Network Industries: An Analysis of European Electricity Distribution

RAFAEL LALIVE, University of Zurich, CESifo and IZA; ARMIN SCHMUTZLER, University of Zurich, CEPR and ENCORE
Competition for Railway markets: The Case of Baden Württemberg

URS VON ARX, ETH Zurich
Principle guided investing: The use of negative screens and its implications for green investors

Room A 23

Session A5  Banking and Financial Markets
Chair: CHRISTIAN KEUSCHNIGG

GABRIELLE WANZENRIED, University of Applied Sciences Central Switzerland; Daniel Piazza and Maurice Pedergnana
Board and Executive Compensation in the Swiss Banking Industry - The Case of Cantonal Banks

ACHIM HAUCK, University of Leipzig
Bank Capital and non verifiable lending risk

ANA FERNANDES, University of Bern and Stern School of Business
Knowledge, Technology Adoption and Financial Innovation

RETO FOELLMI, University of Zurich; MANUEL OECHSLIN, University of Zurich
Equity and Efficiency under Imperfect Credit Markets

CHRISTIAN KEUSCHNIGG, University of St. Gallen (IFF), CEPR and CESifo; SOREN BO NIELSEN, University of St. Gallen (IFF), CEPR and CESifo
Self-selection, Screening and Advising in Venture Capital Finance

12.30 - 13.30 Buffet Lunch (Campus)
Aula Magna

13.30 - 15.30 Opening Plenary Session
Aula Magna

13.30 - 13.45 Welcome Address
PETER KUGLER, President SSES
MARINA MASONI, Minister Economy TI
RICO MAGGI, Chairman of the Programme Committee

13.45 - 14.35 Key Note I
JOSEPH DEISS, Minister Economy CH
Switzerland’s perspectives as a competitive location in a global context

14.40 - 15.30 Key Note II
SUZANNE SCOTCHMER, UC Berkeley
Political Economy of Intellectual Property Treaties

15.30 - 16.00 Coffee Break
Parallel Sessions B

Room A 12

Session B1  Growth and Innovation
Chair: RETO FOELLMI

RETO FOELLMI, University of Zurich
Different Savings Propensities and Inequality in the Neoclassical Growth Model

VOLKER GROSSMANN, University of Fribourg, CESifo and IZA; THOMAS M. STEGER, ETH Zurich
Anti-Competitive Conduct, In-House R&D, and Growth

MANFRED STADLER, University of Tübingen
Education and Innovation as Twin-Engines of Growth

DIEMO DIETRICH, Halle Institute for Economic Research
Internal capital markets of multinational corporations: What role for multinationality?

Room A 13

Session B2  Vertical Relations and Platform Competition
Chair: GIANMARIA MARTINI

ATTILA AMBRUS, Harvard University; MARKUS REISINGER, University of Munich
Platform Competition and Welfare: Media Markets Reconsidered

STEFAN BUEHLER, University of Zurich, University of St. Gallen and ENCORE; ARMIN SCHMUTZLER, University of Zurich, CEPR and ENCORE
Intimidating Competitors - Endogenous Vertical Integration and Downstream Investment in Successive Oligopoly

ANDRAS NIEDERMAYER, University of Bern
Does a Platform Owning Monopolist Want Competition?

JOAO VIEIRA-MONTEZ, University of Lausanne, Ecole des HEC
Downstream Concentration and Producer's Capacity Choice: Why Bake a Larger Pie when Getting a Smaller Slice

GIUSEPPE COLANGELO, University of Insubria, Como and Cranec, Chatolic University of Milan; GIANMARIA MARTINI, University of Bergamo
Recommended Retail Prices, Maximum RPM and the Role of Buyer Power

Room A 14

Session B3  Macro 2
Chair: PETRA GERLACH-KRISTEN

MARTIN P. EVERTS, University of Bern
Duration of Business Cycles

PETRA GERLACH-KRISTEN, Swiss National Bank and University of Basel
A Two-Pillar Phillips Curve for Switzerland

KATRIN ASSENMACHER-WESCHE, Swiss National Bank; STEFAN GERLACH, Committee on the Global Financial System, Bank for International Settlements
Money Growth, Output Gaps and Inflation at Low and High Frequency: Spectral Estimates for Switzerland

SAMUEL REYNARD, Swiss National Bank
Money and the Great Disinflation

ATTILIO ZANETTI, Swiss National Bank
Do Wages Lead Inflation? Swiss Evidence

Room A 22

Session B4  Labor Market
Chair: SERGIY RADYAKIN

DRAGANA DJURDJEVIC, University of St. Gallen and Technische Universität Darmstadt; SERGIY RADYAKIN, Technische Universität Darmstadt
Decomposition of the Gender Wage Gap Using Matching: an Application for Switzerland
OSCAR GONZALEZ, University of California, Berkeley and University of Lugano; RICO MAGGI, University of Lugano

Are foreigners discriminated by regulation? Evidence from a trans-border labour market

TANJA ZEHNDER, University of Zurich; RETO FOELLMER, University of Zurich

Is it Good to Subsidize Bad Jobs?

JEAN-MARC FALTER, University of Geneva

Educational attainment in Switzerland: the role of observable and non-observable family factors

OSCAR GONZALEZ, University of California, Berkeley and University of Lugano; RICO MAGGI, University of Lugano; JASMITH ROSAS, University of Applied Sciences, Lugano

Different Endowment or Remuneration? Exploring Wage Differentials in Switzerland

Room A 23

Session B5  Fiscal Issues

Chair: FLORENCE MIGUET

CARSTEN COLOMBIER, Federal Finance Administration - Government of Switzerland

Testing the Growth Effects of Fiscal Policies Using Modified M-Estimator

SOULEYMANE COULIBALY, University of Lausanne and University of Paris 1 Panthéon-Sorbonne

Empirical Assessment of the existence of taxable agglomeration rents

CHRISTOPH A. SCHALTEGGER, Swiss Federal Tax Administration, CREMA and University of St. Gallen; LARS P. FELD, Phillips-University of Marburg, CREMA and CESifo

Are Fiscal Adjustments less Successful in Decentralized Governments?

FLORENCE MIGUET, University of Geneva

Does Fiscally Induced Migration Enhance Tax Competition? Evidence from Switzerland
Causality between Expenditure and Revenues: Empirical Evidence from Switzerland

18.10
End of Sessions

18.15 - 18.45
General Assembly
Room A 12

20.00
Congress Dinner
Ristorante Capo San Martino
Friday, 10 March 2006

08.30 - 10.30 Parallel Sessions C

Room A 12 Session C1 Industrial Organization
Chair: GIULIANO MASIERO

GIULIANO MASIERO, University of Bergamo and University of Lugano; KARINE MOSCHETTI, University of Lugano, IDEP and GREQAM
Market structure, capacity and regulation of secondary care markets with congestion effects

VERONIKA GRIMM, University of Cologne; GREGOR ZOETTL, Catholic University of Louvain (CORE)
Capacity Choice under Uncertainty: The Impact of Market Structure

SIMON LOERTSCHER, University of Bern
Horizontally Differentiated Market Makers

CHRISTOPH EICHHORN, Ludwig-Maximilians University of Munich
Tax Evasion and Tax Enforcement in a Model of Imperfect Competition

Room A 13 Session C2 Health and Social Issues
Chair: LUCA CRIVELLI

MICHAEL BREUER, University of Zurich
Negative Indemnities in Health Care

MICHAEL GERFIN, University of Bern and IZA Bonn; ROBERT E. LEU, University of Bern
Separating selection and moral hazard effects in Swiss health insurance - nonparametric bounds analysis
LUCA CRIVELLI, University of Lugano and University of Applied Sciences of Southern Switzerland; MASSIMO FILIPPINI, University of Lugano and Swiss Federal Institute of Technology ETH Zurich; Regional Public Health Care Spending in Switzerland: An Empirical Analysis

FABIO B. LOSA, University of Fribourg and Statistical office of the Ticino Canton
The determinants of working poverty: an empirical analysis on Swiss data using logistic regression and classification trees

Room A 14

Session C3 Macro 3
Chair: AHMET ATIL ASICI

FRANK SCHMID, University of Bern
Scrap variables? Better diffusion index forecasts by using less variables

WOLFGANG DROBETZ, University of Basel; PERER KUGLER, University of Basel; GABRIELLE WANZENRIED, University of Applied Science Central Switzerland (Zug); HEINZ ZIMMERMANN, University of Basel
Heterogeneity in Asset Allocation Decisions - Empirical Evidence from Switzerland

ELMAR MERTENS, Study Center Gerzensee and University of Lausanne
Puzzling Comovements between Output and Interest Rates? Multiple Shocks are the Answer

AHMET ATIL ASICI, Graduate Institute of International Studies; NADEZHDA IVANOVA, Graduate Institute of International Studies; CHARLES WYPLOSZ, Graduate Institute of International Studies and CEPR
How to Exit from Fixed Exchange Rate Regimes

MARKUS LEIPPOLD, Federal Reserve Bank of New York and University of Zurich; FABIO TROJANI, University of St. Gallen; PAOLO VANINI, University of Zurich and Zurich Cantonal Bank
Learning and Asset Prices under Ambiguous Information
**Room A 22**

**Session C4  Econometrics**

*Chair: FABIO TROJANI*

CHRISTINE CHOIRAT, University of Insubria; RAFFAELLO SERI, University of Insubria  
*Estimation in Discrete Parameter Models*

VERONIKA CZELLAR, University of Geneva; G. ANDREW KAROLYI, The Ohio State University; ELVEZIO RONCHETTI, University of Geneva and University of Lugano  
*Indirect Robust Estimation of the Short-term Interest Rate Process*

BLAISE MELLY, University of St. Gallen  
*Estimation of counterfactual distributions using quantile regression*

LORIANO MANCINI, University of Zurich; FABIO TROJANI, University of St. Gallen  
*Robust Semiparametric Bootstrap Methods for Value at Risk Prediction and GARCH-type Volatility Processes*

PAOLO PARUOLO, University of Insubria  
*A LR rank test for a cointegration sub-matrix*

**Room A 23**

**Session C5  Government and Wealth**

*Chair: CHRISTA BRUNNSCHWEILER*

CHRISTA BRUNNSCHWEILER, ETH Zurich and University of Zurich  
*Financing the alternative: renewable energy in developing and transition countries*

BERND SÜSSMUTH, Munich University of Technology; ROBERT K. VON WEIZSÄCKER, Munich University of Technology, CEPR London, CESifo Munich and IZA Bonn  
*Relative Wealth, Risk Taking, and Ponzi Games*

GEBHARD KIRCHGÄSSNER, University of St. Gallen, SIAW-HSG, CESifo, and Leopoldina; SILIKA TERESHCHENKO, University of St. Gallen, SIAW-HSG  
*Sustainability of Swiss Fiscal Policy*
10.30 - 11.00  Coffee Break

11.00 - 13.30  Plenary Session and Panel

11.00 - 11.50  Key Note III
JEAN GABSZEWICZ, CORE Louvain-l.-N.
Microeconomics of the Media Industries

11.55 - 13.30  Panel discussion: "Which Policy for Innovation?"
A. SCHMUTZLER (University of Zurich), Chair
D. HARHOFF (University of Munich)
S. SCOTCHMER (UC Berkeley)
R. VEUGELERS (European Commission and KU Leuven)

13.30  End of Sessions
Close of Congress

13.30 - 14.30  Buffet Lunch (Campus)
Aula Magna
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