



Schweizerische Gesellschaft für Volkswirtschaft und Statistik  
Société suisse d'économie et de statistique  
Società svizzera di economia e di statistica  
Swiss Society of Economics and Statistics

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IRE

Annual Meeting of 9 and 10 March 2006 in Lugano

## Industrial Organization, Innovation and Regulation



### Conference Programme

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Università della Svizzera italiana***  
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# Programme Overview

Thursday, 9 March 2006

08.30 - 10.30	<b>Arrival, Registration</b>
10.30 - 12.30	<b>Parallel Sessions A</b> Session A1 Empirical IO Session A2 R & D and Innovation Session A3 Macro 1 Session A4 Network Industries Session A5 Banking and Financial Markets
12.30 - 13.30	<b>Buffet Lunch (Campus)</b>
13.30 - 15.30	<b>Opening Plenary Session</b>
13.30 - 13.45	Welcome Address
13.45 - 14.35	Key Note I
14.40 - 15.30	Key Note II
15.30 - 16.00	<b>Coffee Break</b>
16.00 - 18.00	<b>Parallel Sessions B</b> Session B1 Growth and Innovation Session B2 Vertical Relations and Platform Competition Session B3 Macro 2 Session B4 Labor Market Session B5 Fiscal Issues
18.10	<b>End of Sessions</b>
18.15 - 18.45	<b>General Assembly</b>
20.00	<b>Congress Dinner</b>

## **Friday, 10 March 2006**

<b>08.30 - 10.30</b>	<b>Parallel Sessions C</b> Session C1 Industrial Organization Session C2 Health and Social Issues Session C3 Macro 3 Session C4 Econometrics Session C5 Government and Wealth
<b>10.30 - 11.00</b>	<b>Coffee Break</b>
<b>11.00 - 13.30</b>	<b>Plenary Session and Panel</b>
<b>11.00 - 11.50</b>	<b>Key Note III</b>
<b>11.55 - 13.30</b>	<b>Panel discussion</b>
<b>13.30</b>	<b>End of Sessions</b> <b>Close of Congress</b>
<b>13.30 - 14.30</b>	<b>Buffet Lunch (Campus)</b>

# 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 FOELLM, 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**  
**Aula Magna**

**Buffet Lunch (Campus)**

**13.30 - 15.30**  
**Aula Magna**

**Opening Plenary Session**

**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**



16.00 - 18.00

## Parallel Sessions B

Room A 12

### Session B1 Growth and Innovation

Chair: RETO FOELLM

RETO FOELLM, 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, Catholic 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 FOELLM, 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*

GEBHARD KIRCHGÄSSNER, University of St. Gallen, SIAW-HSG, CESifo, and Leopoldina; SILIKA TERESHCHENKO, University of St. Gallen, SIAW-HSG  
*Causality between Expenditure and Revenues: Empirical Evidence from Switzerland*

**18.10**

**End of Sessions**

**18.15 - 18.45**  
**Room A 12**

**General Assembly**

**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 und 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-I.-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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